

# The National Underwriter

LIFE INSURANCE EDITION

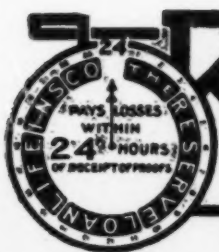
FRIDAY, FEBRUARY 13, 1931



YOU CAN BOWL 'EM OVER WITH THE RIGHT BALL

WRITE FOR GENERAL AGENCY PROPOSITION  
AND TERRITORY

**RESERVE LOAN LIFE**  
**INSURANCE COMPANY**  
**INDIANAPOLIS, INDIANA.**





Left: Home of the Chicago Daily News. One of the city's evening newspapers. Chicago is fortunate in her newspapers. Each of them is doing a constructive job and merits the respect and confidence of its readers. . .



Historic Fort Dearborn rebuilt for Chicago's 1933 World's Fair. . .



The Chicago Evening Post Building. On Wacker Drive facing the river.



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WHAT makes the wheels go 'round? It takes more than mere population to keep a city on the forward march. Chicago with her young ideas and modern outlook retains that priceless civic spirit and home-town pride which is a relic of earlier days. Chicago eagerly pushes forward, sustained by a loyal citizenry and a militant press, both alive to the needs and problems of a growing community. Thus guided, Chicago moves toward her goal. A city facing a golden future. Chicagoans do well to hold faith in Chicago. . . . .

**ILLINOIS LIFE INSURANCE CO.**

ILLINOIS LIFE BUILDING CHICAGO 1212 LAKE SHORE DRIVE

Raymond W. Stevens, *President*

**CHICAGO**

*A Good Place to Live  
A Good Place to Work*

# The new 1931 "LITTLE GEM" LIFE CHART Ready in March

IF you are not using the "Little Gem" you really don't know what you are missing. Thousands of life underwriters will agree with that statement.

It's the handiest little helper you can imagine. Just a "vest pocket" size book but the facts it contains will answer for you those vexing questions that pop up so unexpectedly.

Policy provisions, rates, dividends, costs, summaries, cash values and financial and insurance reports of the life companies—all the **most important, carefully selected facts** that are most frequently needed while canvassing.

## The "Little Gem" will help you Write More Business in 1931

- it gives you greater confidence because you have the facts
- it prevents useless discussion by giving immediate and authoritative answers
- it backs up your sales points
- it saves your time and widens the scope of your service
- it answers rate, dividend, cost, value questions
- it gives you a financial and insurance report of all established companies, some 300 being included
- it gives you the largest possible amount of life insurance information for a book of its size

### No other vest pocket book published has all these valuable features:

Be sure to get your copy of the new 1931 "Little Gem." It costs no more than others. Why not get the best? You'll never be satisfied with any other if you do . . . you'll then understand why thousands echo these sentiments:

"I want to register the appreciation I feel every time I use the 'Little Gem,' to find the net cost columns added up. . . . It is a mighty handy book in every way."

HOLLEY A. WILKINSON,  
National Life Vermont, Boston.

**PLACE YOUR ORDER  
NOW!  
FOR EARLY DELIVERY**  
Single Copy Price \$2.00

*Special  
Company Club Rates  
To All Agents*



*Largest  
Circulation  
of any book  
of its kind!*

Published by

**The National Underwriter Co.**  
420 East Fourth Street, Cincinnati  
CHICAGO PHILADELPHIA NEW YORK  
ATLANTA DES MOINES  
SAN FRANCISCO

## Why Thousands Prefer the "LITTLE GEM"

### Ordinary Life at Every Age

Only the "Little Gem" gives you Ordinary life 20 year net costs at every age, 20-53 inclusive, and at 55 and 60.

### Not Just Dividends—Net Payments

Exact net figures with the dividends already deducted, to be read at a glance.

### Dividend Accumulation Exhibits

A new feature—for about 30 of the larger companies, showing, years to pay up, to mature, total amount paid and cash balance.

### The Information You Need

More information, more companies operating in your territory, than any similarly arranged small reference book.

### Financial and Insurance Report

Some 300 companies are shown in this exclusive "Little Gem" feature.

### 20 Year Actual Histories

Here too, the "Little Gem" scores, Net Figures—20 years, nine ages for Ordinary, 20 Pay and 20 year Endowment.

### Convenient Arrangement

"Little Gem" exhibits are of a convenient, non-competitive arrangement, designed for the best methods of selling.

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Many unusual policy provisions are carefully analyzed in the "Little Gem," in addition to the usual ones shown in other books.

### MORE INFORMATION!

### MORE COMPANIES!

### MORE FOR YOUR MONEY!

*Clip and Mail Your Order Now!*

**RUSH FOR MY INSPECTION**, as soon as ready:

.....copies of the 1931 "Little Gem" Life Chart.

*Bill me at my company club rate.* If the "Little Gem" does not sell itself to me, I may return my order for full credit.

Name (please print).....Title.....

Company .....

Address .....

City .....State.....

**TO THE NATIONAL UNDERWRITER CO.**  
420 East Fourth Street, Cincinnati, Ohio



# ACACIA

## STRIDES AHEAD

INCREASE in Insurance in Force.....	\$21,197,848.00
INCREASE in Income.....	934,526.34
INCREASE in Assets.....	5,599,526.18
INCREASE in Reserve.....	5,270,760.02
New Insurance Paid for.....	50,627,595.00

**INSURANCE IN FORCE—\$359,197,259.00**

Acacia's policyholders share in the prosperity of their company. It is the first and only mutual old-line company to reduce its premium rates to approximately the rates charged by the non-participating stock companies, lower than most of them. The only company that gives its policyholders the low initial rates of a stock company combined with the dividends or profit-sharing advantages of a mutual old-line company.

## SUMMARY OF ANNUAL REPORT

as of December 31, 1930

### ASSETS:

First mortgage loans on improved real estate.....	\$20,944,076.47
Real estate .....	2,274,064.19
Bonds .....	2,316,820.00
Cash in banks and in office.....	683,097.70
Loans on Association's Policies .....	9,096,507.70
Collateral Loans .....	46,000.00
Net premiums in process of collection.....	3,377,932.11
All other assets.....	726,607.58

**Total Assets .....** \$39,465,105.75

### LIABILITIES:

Policyholders' dividends not yet due.....	\$776,564.25
Reserve for taxes accrued.....	202,374.50
Premiums and interest paid in advance.....	271,730.48
Miscellaneous .....	134,536.02
	<u>\$1,385,205.25</u>

### BALANCE TO PROTECT POLICY CONTRACTS:

Reserve American Experience Table of Mortality and 3½% interest on all policies .....	\$36,316,945.52
Furniture, equipment, non-admitted assets.....	\$ 235,682.51
Net Surplus .....	1,527,272.47
	<u>\$38,079,900.50</u>
	<u>\$39,465,105.75</u>

## ACACIA'S PYRAMID OF GROWTH

PROGRESS DURING TWENTY-FIVE YEAR PERIOD

Year	Assets	Net Surplus	Insurance in Force at End of Year
1905	\$83,795	\$18,498	\$1,767,000
1910	\$226,666	\$17,961	\$3,395,075
1915	\$780,660	\$13,014	\$11,052,500
1920	\$3,084,141	\$31,515	\$71,097,545
1925	\$15,695,944	\$1,138,234	\$196,145,636
1930	\$39,465,106	\$1,527,272	\$359,197,259

# ACACIA

## MUTUAL LIFE ASSOCIATION

Chartered by Special Act of Congress, March 3, 1869

WM. MONTGOMERY, President

ACACIA'S TEMPLE OF SERVICE---101 Indiana Avenue, Washington, D. C.



# The National Underwriter

## LIFE INSURANCE EDITION

Thirty-Fifth Year No. 7

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, FEBRUARY 13, 1931

\$3.00 Per Year, 15 Cents a Copy

### Many Brokers on Full-time Basis

Changed Economic Conditions in General Insurance Aid Life Production

### LARGE FACTOR IN CITIES

Men Who Entered Business Merely to Give Complete Coverage Find It Profitable

NEW YORK, Feb. 12.—While the ratio of life insurance production of brokers to that of full-time agents here is about the same as it was before the market slump, the brokerage business itself presents a considerably different picture from what it did several years ago.

New York brokers may be divided in two main groups, those who have general insurance as their main business with life insurance as a sideline, and those who devote most of their time to life underwriting and take whatever general insurance comes along.

#### Increase for Full-timers

Present economic conditions have changed the relative amounts of business placed by these two groups. More and more of the brokerage business is coming from brokers who are virtually full-time life insurance solicitors and a decreasing amount from those who merely write an occasional life insurance policy on one of their fire or casualty clients.

This change is in itself a tribute to the methods of full-time agents, as the "life-minded" brokers have succeeded in proportion as they have followed the same methods as successful agents.

#### Many Quit General Insurance

Many of those who have devoted themselves to selling life insurance have found it so profitable that they have turned over their general business to larger brokerage houses. What they lose in commissions is more than made up by the extra time they have for soliciting life insurance and in addition they are freed from the frequent necessity of being banker as well as broker.

The rise of brokerage business in the last ten years has been one of the outstanding features of life insurance selling in the larger cities. Ten years ago only a few New York city agencies did any brokerage business. Now nearly all do, such production in many agencies amounting to more than half their business.

Even though they were not specialists in the art of selling life insurance, general brokers had contacts which gave them opportunity to do a considerable life business in furnishing their clients complete coverage.

The present financial depression has shown up real salesmanship. When

(CONTINUED ON LAST PAGE)

### Problems Before Officials

Home Office Executives Are Confronted With Serious Questions In View of the Abnormal Conditions of the Several Years Past

By C. M. CARTWRIGHT

One of the best all-round life insurance executives in the country, a man of keen analytical mind and penetrating vision, remarked that in his opinion the problems before life insurance executives during the next five years will be far more profound and perplexing than they have been during the decade that ended Dec. 31, 1930. He asserted that these problems were largely due to the abnormal conditions that have prevailed in recent years. Companies have gotten out of their normal gait and have traveled in some instances far from the beaten path. Business has rolled in in immense volumes. There was a long continued bull market. The mortality ratio was low. In fact, it might be said that executives were living in a land of dreams. Because of this companies are now confronted with conditions that will try the souls of men. In fact this executive added that the real testing time of life insurance is at hand.

#### Life Insurance Has Met Many Severe Crises

The business has passed through many crises in years gone by and emerged triumphant. It will do so again because legal reserve life insurance is impregnable. At the same time some of the conditions that officials are destined to confront should not be swept aside with a confident air, since if one can be prepared to meet emergencies the outcome is far less doubtful. Executives have been drawn away from the paths that experience showed to be sound. They have reached far beyond the limits of olden days. Life insurance naturally must grow. It cannot be contained in the same groove. It must seek new pastures and do experimenting. The war and the economic conditions following plunged the whole world into a state that certainly can be called abnormal. The great prosperity in the United States, the terrific pace at which business was driven, the enormous profits, the great mergers, the gigantic promotion schemes, the speculative mania, the fast living craze, all are having an effect on activities of all kinds and life insurance is responding to the jolt that has been given.

#### Policy Loans Have Been Unprecedented in Number

Never before have companies been faced with such a volume of policy loans. While it lasts, of course, policy loans constitute what might be called profitable assets. During the period when the market was going strong and upward, people borrowed on their policies in large numbers in order to get rich quick or take advantage of what seemed to be an easy way of adding to their fortunes. Then came the fatal crash at the end of 1929, catching thousands and thousands of people who had bought securi-

ties on margins and who were about to be swept into deep water.

Again there was a run to the life insurance companies and the policy loan division was working over-time. During the last year with business depression on every hand people have been borrowing on their policies to meet business and personal obligations. Policy loans during December in a large number of companies were as numerous as any month during the last three years. That shows that the flood tide is still in evidence.

#### Will Companies Do Readjusting?

What is to be done with this vast horde of policyholders who have borrowed on their insurance? Many of them have borrowed to the amount of the entire equity. In years gone by companies have handled the policies on which loans were taken in the ordinary course. It is not likely that many will repay these loans. They are probably not in a financial position to do it. Therefore these policyholders will lend a willing ear to a life insurance man who suggests that the old policies be dropped and new insurance be taken on which there is no mortgage. If a policyholder is not able to pay back his loan there is much soundness in the argument that these agents will present. Millions of life insurance will therefore be exposed to danger unless the companies seek to readjust these policies themselves. Is not this a condition that must be recognized?

#### Commission on Readjusted Policies

Most companies do not pay their agents any commission where life insurance is rewritten in the companies themselves and a new adjustment made unless there is an increase in the premium or in the amount of insurance. Then commission is paid on the excess. Already some companies are allowing a commission on readjusted policies if the

(CONTINUED ON PAGE 20)

### Governor Roosevelt to Speak to Life Men

NEW YORK, Feb. 12.—Governor Roosevelt of New York will be the principal speaker at the banquet to be held March 6 in connection with the sales congress of the New York City Life Underwriters Association. President L. G. Simon of the local association announced at the February dinner meeting. The date of the sales congress was recently changed from March 13 to March 6 to conform with the governor's plans.

### Great Future in Insurance Seen

President Parkinson of the Equitable Life of New York Gives Address

### INVESTMENT IS FACTOR

Public Has Sincere Confidence in the Legal Reserve System—Policies Very Liberal

NEW YORK, Feb. 12.—The tremendous future of life underwriting was outlined for members of the New York City Life Underwriters' Association at the February meeting by President Parkinson of the Equitable Life of New York.

"Great as your effort has been in the past you have not yet begun to scratch the surface and take hold of those who have not even been approached by a life underwriter," Mr. Parkinson declared, adding that until he had been made vice-president of the Equitable he had never been interviewed by a life agent.

#### Public Wants Protection

"The public wants this protection and sees its value as an investment. The public has confidence in life insurance, but it also has an interest in the cost of the product we sell. There are those who wonder why costs do not go down as volume increases or as the prices of other commodities come down. You must remind them that it is not the same product as it was some years ago. Compare the modern policies with those written years ago. Consider the number of defenses that were open to the company in those days—and which still are open in other countries—which are no longer available to companies here today except some which are open during the contestable period. Consider the value that has been written in policies in other ways, the flexibility that contracts possess now that they did not have before."

#### Service of the Agent

Mr. Parkinson made it clear that he considers the agent's remuneration an entirely justified item of cost in consideration for the service he renders. He pointed out that it takes more than training to make the professional life underwriter, comparing life insurance with law and medicine. He asserted that while the life underwriter is not legally obligated he is certainly morally liable if he trifles with something almost sacred. Professional conduct, he said, necessitated conscientious conservation service for those who bought their policies at the old disability rates even though from a strictly business standpoint it might be better for the com-

(CONTINUED ON LAST PAGE)

## World in Latter Stage of Depression, Macaulay Says

### SEE MANY HOPEFUL SIGNS

Presents Splendid Report of Sun Life  
—Common Stock Income Highest Ever

In presenting the annual statement of the Sun Life of Montreal President T. B. Macaulay took occasion to predict that the world is experiencing the last stages of the depression and that prosperity lies ahead.

New business for 1930 was \$705,000,000, an increase of 8 percent over the previous year. Insurance in force gained a net of 462,000,000 to a total of \$2,863,000,000 at the close of the year.

The market value of common stock holdings at the close of the year was \$8,500,345 in excess of cost. The dividends received on common stock during 1930 exceeded those of the previous record year by almost \$1,000,000.

Net income was \$186,662,000 and assets were \$588,733,000. Profit participations of policyholders during 1930 amounted to \$25,000,000, an increase of \$3,000,000 in comparison with 1929. The rate of the dividends will be continued without change, according to the report.

#### Sees Hopeful Signs

Mr. Macaulay discerned as a hopeful sign the fact that savings are being accumulated, bringing about low interest rates, which together with the pressure upon the banks to seek outlets for funds will lead to improvement.

Improvement in the bond market means that railways and other industries that need capital for extensions will be able to borrow and start new work, thereby reducing unemployment.

Mr. Macaulay again criticized the federal reserve system for its policy of credit contraction. The president believes that the low ebb in the stock market was passed Dec. 16. Corporations now, he said, can look forward to improved earnings. They have accumulated raw materials at low prices and the shelves of customers are comparatively bare.

Utilities, he said, have maintained their earnings fairly well and he predicted that their income would increase as soon as business becomes normal.

## Worked Nine Hours for Each \$1,000 of Business

Walter Cluff, educational director of the Kansas City Life, has made an interesting analysis of the work of a representative group of agents, including beginners, part-timers and full-timers, but not including star producers, showing that the average number of hours required to land each \$1,000 of insurance was 9.1. The analysis is based on 1,348 weekly summary cards.

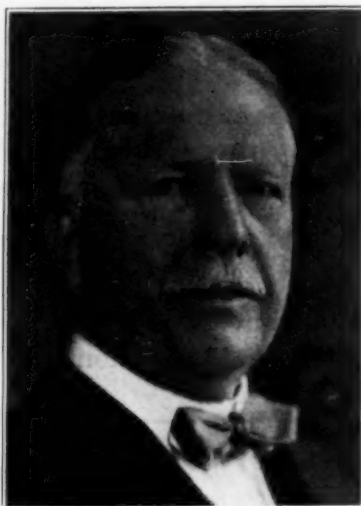
The total number of calls made was 34,789, while 16,813 interviews were held. There was a total of 2,098 applications for a total volume of \$4,274,950. The agents included in the survey worked 39,029 hours and collected \$107,254 in premiums.

The average number of calls per interview was 2.1, while the average number of interviews per application was 7.5. The average amount of the application was \$2,037 and the average premium per thousand was \$22.50. The average number of hours required to land each \$1,000 of insurance was 9.1.

## New York Life Helps Agents

NEW YORK, Feb. 12.—In order to help a number of its agents who have felt obliged to write business with premiums other than annual, the New York Life has liberalized its club rules for the

## New York Life Changes



THOMAS A. BUCKNER  
New President



DARWIN P. KINGSLEY  
Chairman of the Board

NEW YORK, Feb. 12.—Announcement is made this week following a meeting of the directors of the New York Life that President D. P. Kingsley will retire as chief executive in a short time to become chairman of the board, being succeeded by Vice-president T. A. Buckner. Mr. Kingsley is not in robust health and desires to be relieved of some of the onerous executive duties. He has been president since June, 1907. When he left the office of superintendent of insurance of Colorado in 1888 he became inspector of agencies of the New York Life in the east. He was chosen superintendent of agencies in

1892, third vice-president in 1898 and vice-president in 1903.

Mr. Buckner at the age of 33 went to the home office of the New York Life as superintendent of agencies. Prior to that he had been branch office clerk, agent and cashier at Wichita. Then he was agency director at Wichita and Kansas City and finally was inspector of agencies for the western department with headquarters at Chicago. He was elected fourth vice-president in 1900 and in 1903 became vice-president. Last year he celebrated his 50th anniversary with the company. He is one of the best known agency men in the business.

## Automatic Additional Plan Proving Popular

The Penn Mutual's novel plan just announced, embodying automatic use of dividends to pay for an additional issued nonmedical on guaranteed basis one year after original policy, has been in the hands of agents only a little over three months, but already has proved unusually salable. The Penn Mutual originated this plan and predicts that it will be adopted as standard practice far and wide by other companies.

It is being applied to all forms except term whose minimum is \$5,000. At age 30 of issue the dividend on \$20,000 ordinary life would pay the premium on \$4,626 additional, or \$3,790 if disability and double indemnity are included.

The company explains that under the present scale the second and succeeding annual dividends on the original policy will be larger than premium on additional, and the excess, together with dividends on additional, will be paid in cash if desired, or may be accumulated and interest compounded annually. This, it said, will materially and increasingly augment amount of protection, and so largely increase cash value that if insured desires to surrender at retirement age and use proceeds to produce an income, very satisfactory results may be had.

Penn Mutual agents are offering the additional policy as a clean-up fund, or to round out an educational fund, providing income for a year or so while the son or daughter is becoming established after graduation.

present year, which ends June 30. This will allow agents to take credit on a pro rata basis for all deferred first year semi-annual, quarterly and monthly premiums paid between Aug. 16, 1930, and Aug. 15, 1931, inclusive, on business

## Cost of Insurance to Navy Aviators Is Now Reduced

Cost of insurance for navy aviators will be reduced by the Navy Mutual Aid Association more than \$6 per month, it was announced in an oral statement by the secretary, Rear Admiral T. J. Cowie.

This action was warranted, Admiral Cowie asserted, by a continued reduction in fatal accidents during the last two years, and will make the rate for this year \$1.72 monthly on a \$7,400 policy. This is a decrease of \$6.43. The rate for 1929 was \$8.27 but for 1930 the cost was cut to \$8.15. The new rate was effective Jan. 1, 1931.

"Our rates are based on the casualty records," Admiral Cowie stated, "and the mortality figures showed a marked reduction during the fiscal years 1929 and 1930. We decided to give navy aviators the benefit of this remarkable record for safety."

The total flying hours per fatality during the fiscal year 1930 were approximately 14,500, the bureau of aeronautics said, while the flying hours per fatal accident were 18,150. These figures show that the increase in safety of navy aerial operations during the last year was 100 percent over the previous year, it was pointed out. During the fiscal year 1929, according to bureau records, the hours per fatality were 6,773, and the hours per fatal crash were 11,289.

The reduced charges mean that men regularly detailed to aviation duty will receive protection at a cost of approximately \$2.75 per year per \$1,000, the association said.

written and counted in the club year ending June 30, 1930, on which the first semi, or one or more quarterly or monthly premiums were paid on or before Aug. 15, 1930. This liberalization is made for the present club year only.

## Decrease in Disability Sale Found Not Abnormal in 1930

### EQUITABLE GIVES EXPERIENCE

Smaller Percentage of Policies Carry This Clause, But Accident and Health Is Booming

Although the general raising of rates and tightening of restrictions on disability last July 1 has made it less enticing to the prospect and consequently less of a talking point for agents, the relative decrease in sales has not been abnormal.

The Equitable Life of New York, whose experience is probably typical of most large companies, has found that of all policies that it issued in the last half of 1929, 70.7 percent included full disability coverage, while for the last six months of 1930, following introduction of the new provisions, the percentage was 56.3.

#### Experience Is Given

On the basis of the amount of business written during the last six months of 1929, 59.6 percent had full disability protection, while the percentage for the corresponding period of 1930 was 49.5.

While disability sales have slowed up, there has been a marked rise in the sale of accident and health policies, both commercial and noncancellable. If ordinary accident and health coverage is brought to the attention of the prospect, he often discovers that he would about as soon have it as the life insurance disability feature, which covers a relatively remote hazard.

The fact that the waiting period has been lengthened in the disability clause makes both the life disability feature and ordinary accident and health insurance desirable, since they cover two separate hazards.

#### Noncancellable Going Strong

Companies selling noncancellable insurance are making a strong bid for business that was formerly almost entirely written under the old disability provision in life contracts. Their sales have shown a marked increase since July 1. Some companies selling this policy are about the same in rates as the life companies' disability policies and base their appeal on additional features, such as dismemberment benefits, hospital expenses, and the like.

One accident company reports that its business for the last half of 1930 was 50 percent greater than in the same period in 1929, and that July, 1930, the first month the new disability rates were in effect, was 100 percent above July, 1929.

## General Agents Elect

The General Agents Association of the Provident Mutual Life in annual meeting at Edgewater Park, Miss., unanimously elected the following general agents as officers for the coming year: C. D. Connell, Wells & Connell, New York, president; Willard Ewing, Kansas City, vice-president; A. A. Heald, Milwaukee, secretary-treasurer, and W. B. Fowlkes, Jr., Birmingham, auditor. S. V. Coffin, Albany, was elected to the executive committee.

## J. A. Rogers Honored

J. A. Rogers, veteran insurance man of Tucson, Ariz., was honored at a banquet given by Arizona agents of the New York Life. He has just rounded out 20 years with the company. During the entire time he has averaged more than \$500,000 in annual business. I. J. Johnson, agency director in Arizona, served as toastmaster. Mrs. O. H. Rogers of New York, wife of the chief medical adviser of the company, was among those present.



## Volunteer to Take Southern States

Business of Atlanta Company Assumed by Chattanooga Institution

### KEY IS AT THE HEAD

New Deal Will Give the Tennessee Corporation Greater Momentum and Larger Scope

ATLANTA, Feb. 12.—There is general regret in Atlanta and the southeast over the retirement of the Southern States Life which has been taken over by the Volunteer State Life of Chattanooga, of which A. L. Key is president. The Southern States has been virtually at a standstill the past few years, due largely to some investments that were "sour." It has \$68,000,000 in force, which is quite a sizeable company. It was organized in 1908, first at a little town in Alabama by a man by the name of Phil Wadsworth, but Wilmer L. Moore was the real creator of the company.

#### Moore Took the Presidency

Mr. Moore was asked to take the presidency and did so with the understanding that he would not have to devote his time to it. He had formerly been in the wholesale dry goods business. He soon became interested and the first thing he did was to reduce the president's salary. He has devoted the best of his business life to the company and became one of the outstanding life insurance executives of the south, emphasizing the home company idea. The company concentrated its business largely in the four states—Georgia, Alabama, South Carolina and Florida.

#### Will Retire From the Field

Mr. Moore will now retire from the life insurance field. He has served as president of the Atlanta chamber of commerce and has been one of the city's leaders. The Southern States was Georgia's only strictly ordinary company. Since the retirement of E. S. Albritton as vice-president and superintendent of agents, the company has had no agency head and negotiations for reinsurance have been under way for some time. A number of companies had the deal under consideration but the business was finally placed with another southern company.

#### Volunteer State Well Backed

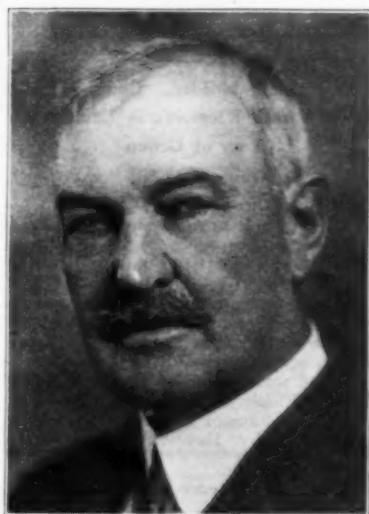
The Volunteer State is backed by strong financial interests of Chattanooga and is making steady progress, having had a very good year in 1930. Recently A. V. Mozingo went from the Jefferson Standard to the Volunteer as vice-president and superintendent of agents and has proved to be the right man in the right place. The reinsurance will give the Volunteer State over \$165,000,000 and will greatly strengthen it in the southeast. President A. L. Key, formerly commander in the United States navy, has proved himself an able executive and under him the Volunteer State is taking its place as one of the outstanding southern companies.

#### Will Go to Chattanooga

It is understood that Vice-President and Secretary C. J. Hill and Treasurer A. H. Ramsay will move to Chattanooga, as will also several home office employees, but about 80 employees are seeking other positions in Atlanta. The

(CONTINUED ON LAST PAGE)

## Bigger Company



A. L. KEY  
President Volunteer State Life

Inasmuch as the Volunteer State Life of Chattanooga is taking over the business of the Southern States Life of Atlanta, it will make the former company a still greater one. The man behind the guns in the Volunteer State is Commodore A. L. Key, who was elected chief executive in 1925. Commodore Key is a forceful, capable president, who has built up a strong hitting organization.

## Mutual Benefit Agencies Show Gain for January

NEWARK, N. J., Feb. 12.—Twenty-seven agencies of the Mutual Benefit Life reported increases for January over the same month of 1929. Some of them gained as much as 100 percent, among them being St. Louis, Los Angeles, Trenton, Richmond, Raleigh, Davenport, Lexington, Peoria and Bangor. Outstanding gains were also made in Philadelphia, Boston and Detroit over last year. During the month 21 of the company's field men qualified for the million dollar corps by writing the pro rata amount in the month. J. M. Stokes, Jr., of Philadelphia headed the list and led the company for the month with \$315,000.

### McKechie Is Vice-President

J. B. McKechie, general manager of the Manufacturers Life for the past 14 years and a director since 1917, has been appointed vice-president of the company.

# Life Companies Tighten Underwriting Practices

Life insurance companies are greatly tightening their underwriting for a number of causes arising from the stock crash and business depression. This tendency is patricially seen in many cases involving income disability or waiver of premium.

In previous years it was common to find agents asking the question on other insurance in a perfunctory way, and particularly in regard to other accident and health insurance where the disability or waiver of premium clause was being applied for.

#### Demand Correct Statement

The experience of one applicant just recently is in point. He could not remember definitely which policies carried the waiver and which the disability income, and he was told by the examiner to return to his office, refer to his records and inform the agency exactly what he had. It was explained that the companies no longer are satisfied to accept guesses, but they must know exactly how much potential disability income is involved in order to determine what their course of action would be on his application.

A similar tendency is noted recently in reference to the questions in the medical examination regarding the use of liquor. Although companies have not tightened their underwriting on this item appreciably over the last year or so, they now have a more or less settled policy. If an applicant admits the taking of one drink a week on the average, it may be presumed he is a home drinker, whereas if he admits two or three drinks a week, the assumption is almost uniform that he is drinking with friends elsewhere. The point is that a man usually is careful in selecting liquor for home consumption, but when away from home drinking with friends and chance acquaintances he does not usually question the source or quality of the liquor and for that reason may be poisoned.

#### Answers Are Doubtful

On the face of returns on examinations, it appears that there has been a tremendous decrease in drinking. It is said a very small percentage of applicants for life insurance these days state that they drink at all, and when they do admit it they usually state that they drink "practically never." However, veteran underwriters take these statements with a grain of salt. One underwriter says in his experience before prohibition about 65 percent of men applicants admitted that they drank occasionally or often, whereas now the per-

centage is insignificant. And yet this underwriter says he believes practically as many now drink as in the olden days.

Jumbo risks are being particularly watched and it is a settled practice of most companies not to be particularly interested in them any more, while a number of companies will not even look at them. This is largely due to the financial condition of the country and disinclination of companies this year to have a great deal of potential liability tied up in a few risks.

#### Critical of Finances

The financial status of applicants is being carefully examined in all cases of \$10,000 or over. Inspections previously were ordered on all cases of this size, but life companies now are far more thorough in their investigations to determine exact financial status.

In the matter of income disability, one company official stated that life companies which have not had health and accident departments have discovered that the principal trouble on life disability was more an underwriting problem than a rate problem. This has been corrected to a large extent it is believed by the new standard clause and increased rates made effective July 1 by most companies. He said that more detailed inspections are discovering faults in cases that in previous years would have been passed without much question.

#### Inquiry Proves Profitable

In one case in the east involving policies in six companies, on which a large claim soon developed, five paid because of the outstanding position of the late policyholder, but the sixth held back. Investigation disclosed that the policyholder for a number of years had been in the habit of taking an annual trip to Chicago for several weeks, where he attended a clinic for treatment of a serious disorder which never was intimated in examinations.

There is some variation in the percentage of maximum disability income allowed. The general practice calls for a two-thirds factor to age 45 or so. In the past there has been little effort of life companies to ascertain exactly what accident and health insurance was being carried by the applicant, although life companies having accident and health departments have been far more careful in this respect. At least one large life company having an accident and health department now includes this item in the application form for life insurance, whereas it was not previously

(CONTINUED ON LAST PAGE)

## FIGURES FROM DECEMBER 31, 1930, STATEMENTS LIFE COMPANIES

	Total Assets	Capital	Surplus	New Bus. 1930	Ins. in Force Dec. 31, 1930	Gain in Ins. in Force	Prem. Income 1930	Total Income 1930	Benefits Paid 1930	Total Disburse. 1930
Parkers Life, Ia.	148,905,570		6,046,774	124,705,248	941,905,085		32,727,198	41,823,240	20,216,827	27,552,647
Business Men's Assur.	7,754,010	500,000	650,373	41,024,575	91,100,213	4,058,906	2,216,743	2,777,851	460,400	1,780,571
Central Life, Ill.	10,137,340	400,000	255,919	17,323,568	72,780,793	5,454,789	1,860,128	2,636,581	1,039,509	2,013,098
Colorado Life	2,044,244	100,000	142,475	19,116,001	25,318,270	16,581,046	788,311	1,943,364	89,635	1,551,090
George Washington	5,309,000	250,000	160,414	4,405,523	26,711,556	168,198	745,570	1,148,954	613,409	957,408
Guaranty, Ia.	6,200,950	200,000	156,797	14,123,755	54,009,938	3,788,464	1,319,908	1,669,906	428,491	1,301,805
Lamar Life	9,140,967	300,000	350,000	11,794,406	71,079,566	518,809	1,994,976	2,572,585	786,112	1,374,968
Life & Casualty, Ill.	1,417,491	332,500	505,609	3,547,513	16,007,345	1,193,561	331,163	552,909	44,790	218,730
Metropolitan	3,310,021,815		202,159,760	13,305,037,927	18,810,966,384	879,365,932	678,530,510	863,230,995	388,919,442	569,008,294
Midland Life, Mo.	5,311,181	100,000	108,389	10,930,710	45,063,506	1,133,371	1,417,793	633,477	1,187,322	1,187,322
Mutual Life, N. Y.	1,052,196,493		467,580,119	4,464,278,069	165,503,523	170,050,704	227,192,376	186,548,784	172,260,466	172,260,466
Old Line, Wis.	16,270,718	1,000,000	821,318	14,095,459	97,344,098	473,655	2,779,375	3,611,936	1,178,564	2,256,374
Provident Mut., Pa.	245,650,277		10,376,991	122,176,643	1,015,616,237	39,315,532	33,596,274	45,192,238	27,779,181	35,597,480
St. Louis Mut.	3,290,820		229,550	1,353,862	12,906,436	100,374	383,196	827,513	290,124	458,402
Shenandoah	6,167,713	500,000	500,000	41,826,798	115,898,272	29,692,972	2,001,267	2,330,136	853,505	1,545,517
Southeastern, S. C.	4,254,809	200,000	174,344	12,300,265	44,839,592	135,793	950,327	1,232,149	562,125	698,032
Southern L. & H., Ala.	967,343	118,370	217,254	18,745,379	18,912,084		1,293,404	1,355,229	601,887	1,281,258
Texas Security	345,068	138,000	138,000	10,400,000	11,145,310	10,400,000	301,762	455,572	18,311	18,311
Victory, Kan.	2,021,530	199,000	270,000	5,508,200	21,370,000	2,068,328	756,509	853,647	236,000	519,408
West Coast Life	20,544,291	750,000	631,483	21,590,809	133,035,399	8,686,449	4,637,355	5,942,460	2,554,864	4,763,407
Wisconsin Natl.	6,818,511	400,000	*366,650	8,011,132	44,269,296	1,939,441	11,164,078	11,491,464	1,519,675	1,972,762

\*\$200,000 special funds not included.  
†Life department only.



# A Full Line of Attractive, Up-to-Date Policy Contracts

The multiple line of Life, Accident & Health, Group and Salary Savings Insurance, offered by the Missouri State Life gives the Field Representative a complete kit of live, up-to-date, policy contracts covering every life insurance need.

The Company writes all standard forms. Age limits 0 to 65. Licensed in 41 states. The District of Columbia and the territory of Hawaii.

Insurance in force December 31, 1930, \$1,249,920,574.



## MISSOURI STATE LIFE INSURANCE COMPANY

HILLSMAN TAYLOR, President  
ST. LOUIS

THE PROGRESSIVE COMPANY

### Illinois Department Rebuked in Crash of Day Companies

#### JUDGE LINDSAY IN CRITICISM

"Fumigation" Needed, Court Says—  
Names Receivers in Last  
Two of Group

In appointing receivers for the Chicago Fidelity & Casualty and the Darby Day Investment Corporation, Superior Judge Lindsay of Cook county sharply rebuked the Illinois department for licensing a company as possessing millions in assets, which a few months later is exposed as a shell. Alvin S. Keys, official liquidator for the insurance department, was appointed receiver for the Chicago Fidelity & Casualty. Will H. Wade, of Chicago, was named receiver for the Darby Day Investment Corporation.

#### Many in Receiver's Hands

These were the last two of the Darby Day enterprises to go into the hands of receiver. The others are the Liberty of Dayton, Automobile Underwriters of Dallas, Continental Indemnity of Kansas City, Continental Auto of Springfield, Ill., Sampson Auto of Freeport, Ill.

#### Much Work Involved

W. C. Claussen, assistant attorney-general, told Judge Lindsay that the receivership would involve a vast amount of work but that there was no possible personal benefit which the receiver might obtain. The Darby Day mess is inextricably involved, Claussen said. There is not much to recover and, in suggesting Keys as receiver for the Chicago Fidelity & Casualty, he declared that it is to the interest of the state to have someone familiar with insurance operations on the job. The bill, accompanying the state's petition for receiver, stated that the \$2,029,000 gross ledger assets of the Chicago Fidelity & Casualty when it was licensed, have dwindled to \$8,000 of admitted assets.

"What has the insurance department been doing to let the company get in this position?" Judge Lindsay asked.

#### Needs to Be Fumigated

"The insurance department apparently needs to be fumigated," Judge Lindsay remarked later. "I can't understand," he added, "why a license should be granted to a corporation of that character, which inside of six months gets down to the position where there is nothing to recover."

The judge also criticized the state for its slowness in filing a petition for receiver. A petition of the International Reinsurance and the Federal Surety was filed before the Illinois department intervened. Judge Lindsay said that the insurance department shouldn't wait for parties outside of the state to come in. He declared that the situation should be checked up with the idea of holding someone in the state responsible.

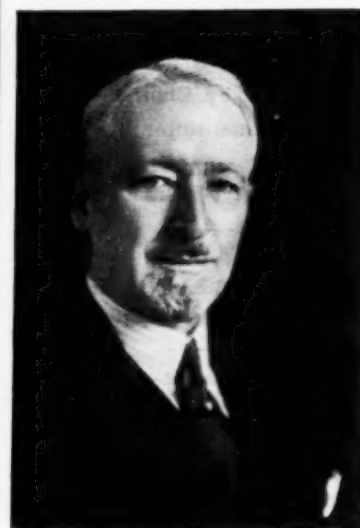
#### Interest in Missouri Mortgages

The judge appointed different receivers for the two concerns, he said, so that "people can't say that there is collusion between different departments of the state."

The judge also expressed interest in the Missouri mortgages, which are scattered through the various Darby Day portfolios. Mr. Hennessey told the judge that one of the purposes of the receivership will be to trace these mortgages in an attempt to discover whether there was a conspiracy to unload them at the expense of innocent persons.

C. Dee Walker, district agent of the Equitable Life of Iowa at Fort Wayne, Ind., has moved to new offices at 535-40 Lincoln Tower.

### Dedicate Museum



ARTHUR F. HALL, President  
Lincoln National Life, Fort Wayne, Ind.

The Lincoln National Life of Fort Wayne, Ind., has issued a handsome number of its monthly bulletin devoted to the dedication of the Lincoln museum of the Lincoln Historical Research Foundation Feb. 11-12. This museum occupies the fourth floor of the Lincoln National's home office. An outstanding feature is card index files which permit quick reference to a reference library which contains a large amount of source material on Lincoln lore.

Lincoln National officials for many years have been collecting items associated with Lincoln, including the famous Brady photograph which was presented to President Arthur F. Hall by Robert T. Lincoln, son of the emancipator. The photograph was made in 1864 by a Washington photographer, Brady, for William H. Seward, then secretary of state in Lincoln's cabinet. It is this same portrait that is on the \$1 bill and several issues of postage stamps.

#### Contains Many Collections

Included in the museum are the foundation collection, and the Helm-Haycraft, Hitchcock, Warren, Thompson, Daniel Fish and David H. Griffith collections.

Dr. L. A. Warren is director. The library and museum have been endowed by the Lincoln National. The dedication ceremony consisted of several public meetings at which many Lincoln students and authorities from throughout the country were present.

The special number of the company's publication bears a reproduction of the famous portrait and of various letters, documents and a scene in the museum, together with a layout of 18 famous Lincoln portraits.

#### May Form Managers Club

LANSING, MICH., Feb. 12.—A life managers club is likely to be formed in Lansing at a luncheon called for this week. It is pointed out that there are many problems peculiar to management of agencies which might be more satisfactorily taken care of in the community if there were a separate organization for managers. Part-time contracts are cited as typical of the questions open for study of such a club.

#### Double Indemnity Claims Paid

The New York Life paid 60 double indemnity claims in December amounting to \$235,203 in addition to the regular policy proceeds. Nearly one-half of these were caused by automobile accidents.

## Agent Uses Palm Reading

NEW YORK, Feb. 12.—Palm-reading has solved for at least one agent the problem of quickly gaining a prospect's confidence. E. W. Evans had been a hand-reading expert for a number of years before going into the life insurance business two months ago with the R. H. Keffer agency here of the Aetna Life. The application of his hobby to selling life insurance has proved very profitable to Mr. Evans and promises to be more so.

### Man Talks About Himself

"It gets a man talking about himself," says Mr. Evans. "In one call the prospect and I are on a basis that would usually require several interviews. He is interested in finding out about himself, just like everybody else. When you tell him things about himself that

he knows are true he is ready to take your word on insurance matters." Mr. Evans doesn't use the palm reading method in his approach but only after a prospect appears hopelessly cold and unsuggestible. Then he plays his trump card.

"Let me see your hand," he says. The question probably startles the man who is being solicited but he nearly always is curious enough to comply with the request. Mr. Evans explains that any roundabout introduction to the subject of palm-reading would give the man the opportunity to say he didn't believe in palmistry, the same as he probably previously said he had enough insurance, didn't believe in it, or had a relative in the business.

Mr. Evans has read the palms of many famous people and has handprints

of Taft, Edison, Kellogg, Byrd and Secretary Mellon. He has written a book on the subject which he expects to be published in the near future.

## Penn Mutual Changes to Two Year Suicide Clause

Significance is seen in the action of the Penn Mutual in extending its suicide clause from one year to two. This step was taken Jan. 1 but the fact did not become generally known.

Some years ago there was a substantial movement among companies toward the one-year clause. The Penn Mutual's move is taken to indicate a trend in the other direction.

## Takes Out More Insurance

A. C. Ernst of Cleveland, who is the managing partner of Ernst & Ernst, certified public accountants, a firm nationally known, has taken additional in-

## Record Shows How Students Produce

In order to get an estimate of the value of agency schools, the R. E. Spaulding agency of the Mutual Life of New York in Chicago kept a production record of the agents who attended a series of ten evening meetings lasting a little over a month. During that period 26 of the students produced a total of 80 applications for \$628,500. Thirteen of the producers were new agents. They wrote 34 applications for a total of \$495,500. The average attendance was 31. The school was conducted by I. B. Jacobs, educational director.

surance in the John Hancock Mutual, making his line more than \$1,000,000. The firm has offices in 57 cities. He is one of the heaviest insured men in Cleveland.

# A Good Time to Suggest

## Life Insurance as a valuable complement to an investment program

Used as a savings and investment plan, life insurance is giving financial independence to thousands. From the viewpoint of availability for every individual, safety and permanent value, certainty of return, easily carried cost, and control by the investor---it is a solid rock on which to build personal and family security.

If liquidation is necessary or desirable, your clients receive a fair and immediate settlement of their equities.

Should they be totally and permanently disabled, they receive a definite

income regularly, and insurance is continued without further payment.

If financial accommodation is needed, the policy can be used to tide them over.

If the policy is in full force at their death, the beneficiary will receive the proceeds, no matter how few premiums may have been paid.

If they live, they will receive the amount themselves.



*A Mutual Company Returning Annual Dividends  
and Offering a Policy for Every Need*



## Tips on Disability Given A. & H. Men

Marron of Mutual Benefit Life Addresses New York Accident Club

### GIVES HEART OF PUZZLE

Underwriting Basis Commonly Used Is Wrong, Opposed to Insurance Fundamentals, He Says

Highlights of the disability clause of the Mutual Benefit Life of Newark and suggestions on writing disability in accident and health, were given by J. P. Marron, assistant secretary, before the Accident & Health Underwriters Club of New York City. The unusual features of this clause which resulted in litigation in a number of states where the company sought to write it, make this an interesting subject. It is particularly timely in view of comment from authoritative sources that there is likelihood of disability rates being raised again, and the Mutual Benefit's contention that other companies are not underwriting disability on the proper basis. Mr. Marron formerly was in the accident and health department of the Independence Indemnity.

Mr. Marron said in part:

#### Basis of All Insurance

"In its inception insurance must have as its foundation a basic value of the thing to be insured, whether that be life, earnings, buildings or what not. To try and reason otherwise would mean floundering and instability."

Mr. Marron said a prominent actuary has written that disability in life insurance is a contract of indemnity and therefore should follow the value of the thing insured, the earnings of the policyholder, throughout the term of the policy. A life insurance company attorney comments that some device is needed to rescue the business from the dilemma of determining whether disability is both total and permanent.

#### Principle Has Been Proved

"The Mutual Benefit refrained from adopting disability coverage until such time as it could work out a form of coverage not inconsistent with court interpretations and rulings and with assurance to each policyholder that he was not in a special class for any more liberal treatment than were all other policyholders," Mr. Marron said.

"The basic principle of our supplementary disability policy has been in successful operation in at least two countries in Europe for several years."

"The only difference between our definition of total disability and that used by other companies, namely, incapacity to follow any gainful occupation, is that under the latter in its application to claims, the existence of total disability is determined according to the opinion of the company's officials, while under our definition, claims are determined on a definite fact basis of impaired earning power."

#### Do Not Follow Decisions

"The wording of the so-called 'standard disability clause' and 'indemnity for total loss of time' after 52 weeks is, for practical purposes and from a practical viewpoint, the same. You are not following the court interpretations. So far as claim settlements are concerned, the meek policyholder suffers while he who may be friendly or he who is considered as a claimant for 'business' (CONTINUED ON LAST PAGE)

## Constructive Measures Urged by W. L. Crocker

This is a period of some unusual problems, and for that reason is a proper time to initiate all possible constructive measures, President W. L. Crocker of the John Hancock told general agents and district managers in convention at the home office.

"The return of good times then will find us prepared to go ahead full speed," he said.

#### No Time for Hesitation

"While this is not a season to take counsel of false optimism it is also not a time for yielding to fear and hesitation. It is a time to face facts—not to blink them or to shrink them, and the facts favor a considerable period of economic readjustment. Our country will in the process recover from its present stagnation which seems so doubly accentuated because it is in such violent contrast with the recent wild period of inflation and spacious prosperity now ended."

"The recovery will attain a level of reasonable prosperity consistent with our surroundings in the world and our capacity as a nation to take care of ourselves on a more largely self-contained basis than ever before in our history as an industrial nation."

"The fact is that our service never shows more strongly as a conservative and desirable economic force than during a period like this. Consider how many of our 45,000 policyholders who died might have left, indeed would have left, insolvent estates, but for their life insurance."

#### Ameliorated Conditions

"How many of the hundreds of thousands who passed out as policyholders in other companies would have been found similarly situated? Lacking this life insurance, how great a burden would have been thrown upon local, state, and federal resources? And how much would that burden have aggravated the present peak of misfortune?"

"A secondary phase, but one of value in case of need, proceeds from rights inherent to the accumulation of reserves. While for most people the habit of borrowing on policies is not so good, the fact that a fund had been put aside in a life insurance reserve and was availed

of to bridge over unfortunate temporary conditions through loans on policies, was known to have been of great help in the emergency of the times in a number of cases and must have been so regarded very generally, judging by the figures which indicate so persistently a high level of demand for these loans."

"Life insurance as it grows adds no burden to the unemployment situation. It takes away nothing from the strength of the economic structure. On the contrary, it is a stabilizing force all the way through, helping to build up, to repair gaps, and in its orderly progress as the medium for the transference of modest wealth from the fortunate to the unfortunate, causes no dislocation of economic or financial forces."

#### Gives Highlights of Year

Mr. Crocker commented on various technical details of life insurance operations. There are too many "not taken" policies, he said. In underwriting, he emphasized, the future will not be sacrificed for present advantages. There probably will be a review of the company's method of rating sub-standard risks.

The company is committed to a policy on expenses which is calculated to give low cost to policyholders.

In the matter of writing disability, he says experience has been almost universally unsatisfactory. He says the John Hancock has \$3,750,000 reserves for disability contingencies and he looks for more favorable experience under the present conservative standards.

Average duration of ordinary death claims is improving, the percentage of those less than three years in force to total claims paid having been 16.7, about the same as in the previous year. Non-medical does not affect the figure much, although there was somewhat higher mortality on this business last year than on examined business.

#### Surveys Non-medical Form

"Of the 157,982 ordinary policies written, including changes, 94,079 were accepted by the company without medical examination but nevertheless with other types of inspection and subject to certain limitations. These non-medicals average about \$1,250 per policy, while the policies with medical examination will average about \$3,500," he says.

"The amount paid out for claims on account of death by violent means, homicide, suicide, and accident, aggregated \$5,102,103. This general type of exit from the world constituted practically 1/4th of the claims."

"Perhaps the most melancholy accompaniment of the situation has been the increase of suicide claims, which with us showed 23 percent over the previous year in number, and 39 percent in amount of insurance carried. We paid out as you recall, over \$900,000 on cases that were avowedly those of self-destruction. Doubtless there were many more than these, where the truth was never known and could not be known, contained in the general category of 'sudden death.'"

#### Gives Figures on Lapse

"The ratio of weekly premium policies lapsed to the mean number in force was more than 2 percent higher than the rather high figures of 1929, and the similar ratio in the ordinary, excluding group, showed an increase of over 1/4 of 1 percent."

"There were over 358,000 policies surrendered for cash value, representing more than twice the number surrendered five years ago in 1926. Of course the policies have increased also, but only to

(CONTINUED ON PAGE 15)

## Result Surveyed on Pool Method

Financial Writers Give Pertinent Facts on Investment Trust Operations

### FIND 87 DISCONTINUED

Strong Argument for Life Insurance Is Contained in Views of Financial Experts on Subject

Present market quotations on the common stock of management type investment trusts, which were so popular during the years just preceding the stock crash of 1929, should prove informative to the life insurance prospect who thinks he can invest his money to better advantage than putting it in insurance.

According to Keane's "Manual of Investment Trusts," of the 714 trusts of this type of which there is any record, 87 have gone out of existence for one reason or another, 40 through mergers and 17 through change of name, including companies organizing under a new name and companies changing their legal type of organization.

#### Other Causes Are Listed

Fifteen closed up through liquidation and dissolution, 10 failures, including those which failed and for which receiverships were appointed or bankruptcy proceedings instituted, and including also companies prosecuted for fraud, and five which were organized but never became actually operative.

The management type of investment trust is organized to make money by buying and holding or selling stocks of various corporations. Diversification of holdings, expert management, and unusual facilities for borrowing to operate on margin give them advantages denied the ordinary investors, particularly those of limited means. Yet the best a financial writer describing their operations during the boom and the subsequent slump could say for them was that they had done better than the average investor in the same period.

#### Market Prices Reduced

General management investment trust stocks are now selling at only about 60 to 80 percent of their net assets value, sometimes called "break-up" or liquidating value. This anomaly of the whole being considered of less value than the sum of its parts, is treated in a bulletin published by the Standard Statistics Company of New York, which states in part:

"Prior to the panic of 1929 these shares were one of the most sought after medias for placement of funds. The exact reverse is now the case, although there has been no lack of desire of the public to obtain diversification through the purchase of investment trust shares, as witness the phenomenal success in the sale of fixed trust securities throughout the past year."

#### Draws Inference From This

"On this basis, the inference is clear: The public will pay a premium for diversification where there is no management and will only accept diversification at a discount where there is management."

Another writer has calculated that an investor who picked any stock on the New York Exchange at the beginning of 1929 had one chance in seven of coming out ahead at the end of the year,

(CONTINUED ON PAGE 15)

## In Agency Work



J. C. HIGDON

J. C. Higdon, secretary-actuary of the Business Men's Assurance, Inc., has been made vice-president of that company in charge of sales.



## Popularity of Family Income Form Continues, Burnet Finds

There has been considerable discussion among company executives as to the permanency of the family income policy which was devised and put out first by the Continental American Life and was sponsored by President Philip Burnet. A number of companies have followed suit and gotten out similar policies. President Burnet was asked as to his opinion as to the interest in this policy and as to whether he felt it would be a permanent tool in the agency kit. He says:

"Of course the question as to whether the policy is a mere flash in the pan or will prove to be permanently useful can only be a matter of opinion. At the moment, however, I can only say that there is not yet any indication of anything of the sort because the policy continues to go as well with us as it did at the outset; it produces just about the same proportion of our total business, and the men who sell it tend to be more and more enthusiastic about it the further they go. As a rather extreme, but still as a more or less characteristic reaction, I now have before me a letter from one of our good producers who tells me that all but three of the cases which he placed last year were on this plan.

### Persistency Is Test

"As to the future, of course the test will come on the basis of the persistency of the business. On this point, I can hardly feel that the fact that the policy, technically, is a decreasing policy will make it less desirable as time goes on, for the fact is that regardless of whether it increases or decreases, it fits

the needs of the average prospect at all times, very much more effectively than any of the usual plans, and not only does it do this, but it does so at what is equivalent to a very great reduction in the necessary cost as compared with the usual plans.

"It has been said repeatedly, and I think truly, that a policy bought to meet a specific need is much more likely to persist than a policy which is simply bought as so much life insurance. I think this is one of the virtues of the family income policy. The very nature of the contract is such that it must be bought to meet a specific need, and as long as that need persists, I should think the policy would be more likely to be kept up than if it were merely so much life insurance.

### For Agent's Own Use

"Finally, the most convincing thing of all to me is the fact that so many life insurance men, who know the business thoroughly, are buying this kind of insurance for their own use. In fact, its

strongest appeal seems to be to those who know the business best, and if those who know it best feel that it is the thing they want for themselves, I should think that the insuring public would come to feel pretty much the same way about it. Meanwhile, the policy is producing business for us in good volume, our own men are completely sold on it, for the two-fold reason that, on the one hand, it meets their own needs so effectively, and on the other, that they have found that it makes a strong appeal to the public.

"In view of all this, it is hardly conceivable that the policy can fail to be permanently useful and effective. At the moment, there is certainly no indication of anything of the sort, for all of the actual evidence which has come to us out of our own experience is exactly the contrary."

### Thornton Is Promoted

Oliver C. Thornton of the Midland Life of Kansas City has been promoted from assistant secretary to agency secretary. He will assist the president in relationships between field and home office. He continues in charge of the home office clerical personnel and as member of the risk committee.

## In 6 Weeks Woman Beginner Gets Two Important Prizes

The Connecticut Mutual is pointing with pride these days to the record of Mrs. Mabel McCluney of St. Louis, who, in six weeks without any previous life insurance selling experience, paid for \$500,000 of business on an annual basis, all prepaid. In her first six weeks, two weeks of which she was unable to produce because of illness, she qualified for the company's home office meeting for first year agents and the 85th anniversary convention in June.

Mrs. McCluney graduated from Smith College in 1904 and for two years had been president of the Smith College club in Chicago. She has also been prominent in war work and educational and social affairs. She is the wife of an investment banker in St. Louis and since her entrance into the life insurance business has brought into the agency the wife of another investment banker.

"When I decided to work I picked life insurance," Mrs. McCluney declared, "after considering other activities."

# It is indeed an Unusual Opportunity

## The Requirements:

AGE—Thirty to forty-five.

EXPERIENCE—Such as would clearly indicate the ability to hire men in a city and make of them successful producers.

FINANCIAL STATUS—Such as would show the ability to manage your own affairs.

PLUS, of course, sound character, earnestness, and the ambition to make real money.

## The Opportunity:

A general agency for an old, well-known eastern, mutual company in an important city where it has successfully done business for many years.

A General Agency contract that is fair and liberal.

An expense allowance that will provide funds for a vigorous agency development.

Substantial financial assistance.

## Company's Policy:

It is this Company's policy to fill general agency vacancies from its own ranks whenever possible.

Circumstances require us to make an exception to this policy in this instance, thus creating a really UNUSUAL OPPORTUNITY for a man of capacity.

## In Replying:

Please be definite about your age, experience and present connection. Your reply will be treated in the strictest confidence.

Address, S-69 The National Underwriter

## Average Premium Increase Is Noted by S. T. Whatley

In view of the difficult struggle even to hold business on the books in 1930, much less to produce new business, S. T. Whatley, general agent Aetna Life in Chicago, reports that he is well pleased with two achievements of his office in the year. All departments, life, accident and health, and group, had substantial increases in volume of business, and in addition there has been a significant rise in average premium, setting a record for the agency.

"This indicates to me," the past president of the National Association of Life Underwriters said in explanation, "that there has been a decided trend toward the purchase of more permanent forms of insurance, which in itself illustrates that the public did learn an important lesson in the stock market—that life insurance is the finest investment they can make."

### Ends Dangerous Tendency

There had been a growing tendency in the period of the five-year bull market to buy net cost forms of life insurance, such as term, term expectancy, etc. This reached its peak in the months of 1929 preceding the stock crash, when many persons saved every penny possible with which to play the market.

The same experience is reported by a number of other Chicago general agents and managers, so it is not an isolated case and may be taken to indicate a true tendency. It is particularly interesting in view of the opinions expressed in many quarters after the market debacle that if volume were maintained, premiums would fall off, because, although many persons would need large amounts of life insurance in view of the fact that most of their estates had been tossed into the market, yet they would not be able to carry a permanent form and must take low cost insurance.

## Will Stop Writing of Life Insurance Through Banks

### END BANK OF AMERICA ISSUE

Occidental Life Activities to Be Confined to Own Organization, Announcement Made by Hull Says

SAN FRANCISCO, Feb. 12.—R. B. Hull, managing director of the National Association of Life Underwriters, makes the following announcement:

"Elisha Walker of New York City, chairman of the board of Transamerica Corporation, and also chairman of the board of Transamerica Insurance Holding Company, announced today that at a meeting of the directors of Occidental Life, a subsidiary of Bank of America Trust & Savings Association, which is in turn held by Transamerica Corporation, it was decided that hereafter in the interest of greater economy and efficiency the Occidental would concentrate its production and sales activities entirely within its own organization, independent of the banks and other affiliates, in the manner employed by every other life insurance company in the country. The action was taken upon the recommendation of the directors of Transamerica Insurance Holding Company."

#### Culmination of Conference

Mr. Hull has been on the Pacific Coast for some time. A series of conferences has been in progress, beginning some weeks ago, between Bank of America officials and committees of life underwriters associations. Kellogg Van Winkle, past president of the Los Angeles association, was chairman of the Los Angeles committee. Karl Brackett, president of the San Francisco association, led the northern California group. Mr. Hull's only comment on the announcement was to the effect that he believed the officers and directors of the so-called Transamerica group, which now holds all of the interests formerly under the Bank of Italy control, had taken a very forward-looking step, and one which is destined to accomplish much for the cause of sound, service-giving life underwriting in the United States, and especially for the business of estate creation and conservation in California, which is the joint enterprise of banks and life insurance companies.

#### Situation No Longer in Doubt

He also expressed the hope that there would now be the very fullest cooperation between the life underwriters and the representatives of the banks and trust companies of this great financial institution.

The announcement leaves the life insurance fraternity no longer in doubt as to whether the withdrawal of the Bank of Italy interests from the fire insurance business last November was intended to apply to, or would be extended to life insurance.

### Pan-American Life's Clubs

Two new producers' clubs have been formed by the Pan-American Life, according to announcement by Ted M. Simmons, manager of agencies. They are the Dynamo Club, an organization to include producers of \$200,000 annual paid-for business and the Book-A-Month Club, intended to offer the field man the opportunity to better his technical knowledge of life insurance.

### Mel Fickas Arizona Manager

Mel Fickas, prominent for many years in the insurance field in Arizona, and especially in Phoenix, has been named Arizona state manager for the Penn Mutual Life. He will retain his offices in Heard Building. Associated with him will be C. P. Hart and Elmer F. Davis. Mr. Davis was formerly connected with the Penn Mutual Life.

## Takes New Duties



J. F. WILLIAMS

J. F. Williams, vice-president of the Illinois Life, is transferred to the agency department, becoming vice-president and supervisor of agencies. This is another case of a first class actuary and technically trained man broadening out. Mr. Williams was actuary of the South Carolina insurance department, then the Tennessee department and then Illinois. He went with the Illinois Life as vice-president in 1925. He was with the actuarial office of M. M. Dawson & Son in New York for three years and was in the actuarial department of the Reliance Life for two years. Mr. Williams is a native of Ohio, being born at Martin's Ferry. He graduated from Lafayette college in 1908.

## Business Men's Assurance Promotes Home Office Men

J. C. Higdon, secretary-actuary of the Business Men's Assurance, has been made vice-president in charge of sales to succeed A. W. Hogue. Mr. Hogue, who always has preferred outside work, became branch manager for Texas.

L. D. Ramsey, treasurer, has been made secretary; J. E. McPherson, comptroller, now is treasurer and M. C. McKay, for more than eight years head of the conservation department of the Home Life of Arkansas, has been appointed manager of the conservation department, a new unit for the company.

Mr. Higdon is secretary of the home office management section of the American Life Convention. His career has included relief work in Constantinople and the Russian Caucasus and a vice-consulship at Cabriz, Persia. When he returned to the United States in 1921 he became associated with his father, J. E. Higdon, consulting actuary. Later he joined the Aetna Life at Kansas City. He then went with B. M. A. as manager of the life department, two years later being promoted to secretary-actuary.

Mr. McPherson has been associated in the investment business for a number of years, and was with R. B. Jones & Sons as executive manager two years before joining the Business Men's in 1926.

For two years before becoming manager of the conservation department for the Home Life, Mr. McKay was agency supervisor for that company. For several years before and after the war he was with Penick & Ford, New Orleans.

B. A. Hedges, formerly director of field service, has been appointed general field supervisor to work with Mr. Higdon on sales.

An up-to-date selected list of good life insurance books, including all those recommended for C. L. U. study, will be sent on request. Address The National Underwriter Company.

## Safety Fund Department Shows Gradual Reduction

### HARTFORD LIFE SETTLEMENT

Old Assessment Insurance Is Sloughing Off and Distribution Will Soon Be Ready

A further reduction of \$186,000 in insurance in force in the men's division of the Hartford Life safety fund department occurred during the year ending Dec. 31, 1930, according to the statement filed with the Connecticut department. At the end of the year the insurance in force stood at \$1,436,500.

When the insurance in force in the men's division is reduced to \$1,000,000, the safety fund, which amounts to approximately \$1,000,000, will be distributed among the then existing policyholders. It is estimated that, if the mortality continues at the present rate the distribution may be made within the next few years. The number of certificates in force declined from 916 at the end of 1929 to 814 as of Dec. 31, 1930.

#### Operated on Assessment Plan

The safety fund department was operated as an assessment branch of the Hartford Life from 1880 to 1899, when the company ceased writing this form of insurance. There is also a women's division of the safety fund department. The insurance in force in this division was reduced by \$30,000, from \$223,500 at the end of 1929 to \$193,500 at the end of 1930. Distribution of the women's safety fund is to be made when the insurance in force is reduced to the then market value of its assets.

The Hartford Life has written no new business since 1913, when its non-participating business was reinsured with the Missouri State Life.

## Leading States' Records for Northwestern Mutual

New York led all the states of the Northwestern Mutual Life in new business last year, it being \$43,017,650. Illinois was second with \$38,410,850. Its home state, Wisconsin, was third with \$31,934,170. States producing over \$6,000,000 were as follows: Pennsylvania, \$26,786,725; Ohio, \$23,575,050; Michigan, \$22,335,300; California, \$13,921,300; Iowa, \$13,403,700; Minnesota, \$12,761,750; Missouri, \$9,940,200; New Jersey, \$9,843,000; Indiana, \$8,812,600; Nebraska, \$6,585,450; Kentucky, \$6,507,950; Kansas, \$6,048,850.

### Danger in Civic Pension Plans

T. A. Mitchell, president Canada Life of Toronto, sees grave danger inherent in any self-administered civic pension plan and urges that insurance companies are better equipped to administer old age pension plans than any government. He suggests graduated death benefits rather than the plan of paying pensions to widows and allowances to children. Such a pension plan requires a continuously successful investment policy extending into the future, he says, and he points out that there is hardly a case on record of any self-administered city fund which has remained free from political influence for any length of time.

### Henson Dies in Philadelphia

E. F. Henson, organizer of the Lumbermen's Mutual Fire in 1895 and continuously president of that company since that time, died at his home in Philadelphia after an illness of two weeks. He was 68. He was also a trustee of the Penn Mutual Life and was identified with many societies having to do with the conservation of nature and preservation of historical relics.

## Stabilizing Influence of Life Insurance Stressed

### JOHN HANCOCK GATHERING

President Crocker Addresses 500 General Agents and Superintendents at Home Office Meeting

BOSTON, Feb. 12.—Emphasizing the stabilizing influence of life insurance during such times of business stress as have just been experienced, President W. L. Crocker of the John Hancock Mutual Life addressed some 500 general agents and district superintendents at the annual home office gathering here this week. Many of the 43,000 policyholders of the company who died during the year would have been insolvent but for their life insurance, he said. Twice as many policies were surrendered for cash values in 1930 as five years ago. Non-medical policies showed a slowly mounting trend of mortality and one-sixth of the companies' claims were due to homicides, suicide and accident. Criticism was also made of too many not-taken policies.

#### Place 30 Million in Trust

Chief Counsel G. W. Cox gave a scholarly treatise on the comparison of option settlements with life insurance trusts. He made a plea for keeping option settlements simple and having complicated contracts put into life insurance trusts handled by private or corporate trustees. During 1930, said Mr. Cox, the John Hancock placed under life insurance trusts approximately \$30,000,000, and the number of separate trusts almost exactly equaled the number of special option settlements made during the year.

C. F. Glueck, group department, said group policies showed a 59 percent increase in 1930, over \$80,000,000 being issued. The results showed, it was claimed, that group insurance is a recognized factor of real importance in industrial relations and that periods of depression increase rather than diminish its value. Mr. Glueck believed that the unemployment situation had caused an increase in demand for all forms of mass insurance.

President Crocker presided at a dinner for some 700 Monday night, at which time was presented the annual show given by talent from the John Hancock home office force.

### Office Underwriters Meeting

NEW YORK, Feb. 12.—The Home Office Underwriters Association, which was formed last fall, will hold its next meeting at Hartford in May. The exact date has not yet been determined. It will occur at the same time as the Occupational Underwriters Conference, which will be held at the Aetna Life home office. J. R. Harris, manager ordinary issue department of the Metropolitan Life, is chairman of the program committee of the Home Office Underwriters Association.

### Massa Is Assistant Secretary

R. C. Massa has been appointed assistant secretary of the Western & Southern Life, by which he has been employed for over 17 years. Mr. Massa started with the company as an office boy Aug. 1, 1913, and has climbed steadily upward to his present position.

### Costigan Made Manager

R. J. Costigan, for two years director of the Grant Club, leaders' organization of the Business Mens Assurance of Kansas City, Monday was made manager of the Kansas City branch. He has an excellent production record. Mr. Costigan has been with the company five years.



## OBSERVATIONS

### *in the Life Insurance Field*

THE Equitable Life of New York has 17 presidents of life underwriters associations among its agents and managers, as follows: Leon Gilbert Simon, New York City; J. D. Cameron, Flint, Mich.; G. P. Chandler, Knoxville, Tenn.; George Cowton, Grand Island, Neb.; J. F. Dehaven, South Bend, Ind.; Frank Kroeger, Jr., Decatur, Ill.; R. W. Harbert, Battle Creek, Mich.; Lance Harding, St. Petersburg, Fla.; H. J. Feuling, Watertown, N. Y.; Harry T. Wright, Chicago; W. J. Locke, Mansfield, Ohio; Morris Rosauer, Spokane; A. B. Shea, Sioux Falls, S. D.; C. M. Smith, Ann Arbor, Mich.; H. A. Smith, Louisville; J. J. Stegge, Oakland, Cal.; and Fred Pursell, Sacramento, Cal.

**P**RESIDENT SARGEANT of the Massachusetts Mutual Life in his annual report said that 1930 will go down in history as perhaps the most difficult year of the present economic cycle. The forces that were operating throughout the year are reflected in all departments of the business of life companies. Speaking of the mortality experience he said that there is a material reflection of bad times because of the high rate of claim for both suicides and casualties. In the Massachusetts Mutual the total claims for these two items was 20 percent of the total claims paid. The same influences have affected total and permanent disability benefits. There was a falling off in both gross and net rates of interest earnings last year. The company lost \$589,000 in surplus. He says:

"It is interesting in this connection to make comparison with 1918 when all life companies suffered from the effect of the influenza epidemic. In that year the amount withdrawn from the company's surplus funds was \$1,386,830, but even this did not retard its progress which continued to prosper, and since that time has substantially increased the dividends to policyholders."

A number of life agents are having some unusual experiences these days. For instance, an agent wrote a man for a short term endowment where the premium was over \$2,000. He closed the case one Saturday afternoon. The man wanted to pay the premium at once. He reached into his pocket and there had bills of large denominations, \$4,000 in all. The agent told the applicant that he would not take his money until Monday when he could rush to the bank. Agents cite cases where people are hoarding their money, hiding it at home rather than trust banks, owing to the number of bank failures. In days gone by it would take considerable persuasion to get a man to pay the premium when the application was written. Nowadays many applicants want to pay at once. This has aroused suspicion at some of the home offices. They feel where an applicant is so eager to pay the premium there must be something insidious back of the motive. As a matter of fact most of these people have their money hidden and are willing to let it go to a reputable life insurance company.

Indicating the sentiment among the people, a number of companies find that assureds desire to pay several premiums in advance thus having their future premiums commuted. In this way they are able to get a fair return on their money. It is found by agents that a large number of people do not know what to buy in the way of investments. Many are skeptical of banks as there have been so many failures. As a matter of fact it is found that a number are keeping their money secreted in their homes. They feel that about the

safest thing in the world is to deposit money with a life insurance company. In this way they can earn from 4 to 5 percent and thus get a reasonable return. This indicates that the big message today is life insurance for investment purposes.

Owing to the fact that life companies during the last few years have seen an increasing mortality on large risks and especially during the last year, some of them which have reduced the incontestable period to one year, are considering whether after all that was a wise step. During the time when men were under a terrific strain following the stock market crash the mortality arose on these large policies. Some undoubtedly were suicides. The companies that have the two year period will probably continue along that line. The question of issuing large policies to men of the promoter type is one that is giving the companies much thought.

Dr. John M. Thomas, the new vice-president of the National Life of Vermont, who was formerly president of Rutgers College and well known in educational circles, is now well acclimated to life insurance and is able to discuss the subject with agents in a very helpful and constructive way. Dr. Thomas has none of the traditional earmarks of the professional school man. He is cordial, easy, sympathetic. When he sits down and lights his pipe one can lay unctious to his soul that he will have a most interesting chat with Dr. Thomas. He fits in nicely with the official and agency personnel of the National Life. The company with its fine qualities appeals to him. Dr. Thomas will be the contact man and will interest himself very much in the training of agents and production.

### Pension Survey Reported

**Recommendations Made by the New Jersey Legislative Commission That Has Been Investigating**

TRENTON, N. J., Feb. 12.—Recommendation of a statewide plan of relief for persons 65 and more years of age was contained in the report of the pension survey commission of New Jersey submitted to Governor Larson and the state legislature. The report urged the adoption of a bill to be offered which would provide for the payment of pensions of not more than \$1 a day with the cost shared by the state and counties. The commission estimated that there would be about 18,500 persons in need of partial or complete support from public funds in 1932 and that the total cost of the proposed relief work would be \$5,520,000.

### "Prudential Society" of New Jersey Is Enjoined

NEWARK, Feb. 12.—The Prudential Society of America, with headquarters in Montclair, N. J., was ordered by Vice-chancellor Church in Newark to refrain for two weeks from using its corporate name in selling any form of insurance. This action resulted from a complaint by the Prudential of Newark on the similarity of the Montclair organization's name to its own. The two weeks' delay was asked by C. H. Kinney of the Montclair society, which had been previously ordered to show cause Feb. 10 why it should not be restrained from using its name to sell insurance.



Over THREE BILLION DOLLARS has been paid by New York Life Insurance Company under its Policy Contracts. Of this total, more than Two Billion Dollars was paid to and on account of Living Policy-holders.

**NEW YORK LIFE INSURANCE COMPANY**  
51 Madison Ave., Madison Square, New York, N. Y.

DARWIN P. KINGSLEY, President



## O. J. Arnold Maps Personal Program for Current Year

### TO ANALYZE AGENCY COSTS

Northwestern National President Will Promote Financial Welfare of Managers, General Agents

President O. J. Arnold of the Northwestern National Life has mapped a personal program for 1931. It will consist of an analysis of general agency and branch office operations with the view of increasing the financial success of general agents and managers. Mr. Arnold believes that it is an important responsibility of the home office to promote the financial welfare of agency organizers in the field.

Mr. Arnold plans to analyze agency costs of operation. Comparative cost figures will be given each general agent monthly, for the month then ended and for the year to the end of the month. The general agent will furnish the home office with statement of his expenses each month segregated as between new and old business. All of the rest of the data needed will be drawn from home office records.

#### Audit Department's Task

From this information the audit department will analyze first year cost on new business in comparison with first year's margin; the cost of new business per \$1,000, cost per policy, the cost of handling renewal business. Thereafter the general agent will be able to prepare his analyzed cost month by month and year by year, in his own agency and with the composite figures of the other comparable agencies.

A general agent producing \$2,000,000 of business will know the first year loss, if any, suffered on his new business and the profits made the second year, and the profits to be anticipated yearly on that same \$2,000,000 of business as it renews in future years.

Mr. Arnold declared that he gets little satisfaction in watching the company go forward unless the financial success extends in a large way to the general agents and managers. It is very important now, he said, for a business man to know just where he stands, with respect to his operating cost and by a complete and comparative analysis to ascertain where he is headed.

## Essex Trust Officers Will Form Association

NEWARK, Feb. 12.—The fiduciary committee of the Essex County Bankers Association in New Jersey has called a meeting of all trust officers of all banking institutions in Essex county, which will be held in this city. Corporate fiduciary associations have been organized in various parts of the country as well as in different counties of New Jersey, but Essex county, the largest county in the state, has no such organization.

The committee is composed of Charles W. Hendry, chairman, West Side Trust Co.; E. A. Pruden, Fidelity Union Trust Co.; E. A. Smith, Merchants & Newark Trust Co.; A. V. Ballantine, First National Bank & Trust Co., of Montclair.

#### Jones Heads B. M. A. Managers

W. M. Jones, Business Men's Assurance manager in Utah and Idaho, is president of the company's Managers' Club due to his high production. F. W. Moller, manager for Indiana, was second among Group A managers, and J. P. Baldwin, manager for California, won third. S. C. Clancey, Iowa manager, winner of the first prize in Group B, automatically becomes vice-president of the club.

## McCracken Joins United Mutual Agency Staff



L. B. MCCRACKEN

Harry Wade, president of the United Mutual Life of Indianapolis, announces the appointment of L. B. McCracken as associate agency manager. Mr. McCracken entered the business through the training school of the Travelers and spent considerable time in various branch offices of that company over the United States. For the past nine years he has been with the State Life of Indianapolis as secretary of the agency department and traveling supervisor.

Mr. McCracken will develop a general agency plan for the United Mutual. Being successor to the insurance department of the Knights of Pythias, it has scattered throughout the country lodge secretaries who are writing insurance for it. These secretaries will be available to general agents for the territory as at least part-time agents and, with instruction, it is likely that not a few of them will develop into whole time producers. A large number of prospects will also be available in every community, members of the order.

The insurance department of the Knights of Pythias was organized in 1877 and in 1907 went on the American Experience 3½ percent basis. It has over \$115,000,000 of insurance in force and in excess of \$20,000,000 in assets.

## Equitable Life Results in Group Insurance Last Year

Vice-President W. J. Graham of the Equitable Life of New York reports the results of 1930 in the group department of his company. There is now \$1,472,001,450 group life in force with the Equitable. This is about one-seventh of the total group business in the country. Last year the new group life premiums were \$17,165,371 as compared with \$14,819,293 the year before. In group health and accident there were \$1,442,522 premiums as compared with \$476,353, in group annuities \$500,859 as compared with \$92,743. The total group premiums were \$19,134,211. Mr. Graham states that despite reduced employment group insurance has come forward tremendously during the year. The new group business last year was \$170,255,633, the leading agency in group production in Pittsburgh was \$49,625,084. Next came the H. F. Berls agency of Chicago with \$19,751,347. Sheppard Homans of New York City had \$19,486,965. It is estimated that there is \$10,000,000,000 group insurance in force. In 1929 there was \$9,121,447,985.

Sullivan's "American Business Law" is recommended for "C. L. U." study and can be obtained from The National Underwriter. \$2.50.

## Huebner Expounds Theory of Life Policy as a Bond

### IT IS CALLABLE BY DEATH

Famous Educator Finds Strong Public Toward Recognition of This Function of Policy

At the third meeting in a series of cooperative conferences of bankers, lawyers and life underwriters at Philadelphia the lecturer was Dr. S. S. Huebner. Joseph H. Reese, manager Insurance Trust Associates, was chairman, and is directing the course in collaboration with J. A. Stevenson, under sponsorship of the Penn Mutual.

Dr. Huebner said, in part: "A life value is exhaustible. It may be lost suddenly through premature death, but in any case will be exhausted gradually until total extinction occurs. The life insurance policy issued against that depreciating life value is also a sinking-fund bond. It is callable whenever Providence sees fit to call the life, and is usually paid within 48 hours after proof of the call is submitted.

"But if the life is not called and is allowed to last out the span of years agreed upon—say 20 years under a 20 year endowment policy, or 40 years under a long term endowment policy, or even 60 or 70 years under a whole life policy—the life insurance bond will call itself through the operation of a sinking-fund (the so-called reserve), designed mathematically to equal exactly the face of the policy at its due date.

#### Analogy with Corporation Finance

"The analogy with corporation finance must be apparent to all. A man gives his life a valuation, and then proceeds, just as a corporation does with respect to its property, to capitalize that value with a bond which matures at once if its callable feature is exercised, or at its due date through the operation of its sinking-fund element. Note the parallel between a callable life bond and a callable property bond.

"When a corporation issues a callable sinking-fund bond, the bond is callable at the option of the corporation, and must, when called, be turned in for redemption. If not called, the bond is redeemed on the due date through the operation of a sinking-fund so arranged mathematically as to make the total of the fund just equal to the face of the bond at the due date. Such a sinking-fund arrangement is almost invariably adopted where the property involved is exhaustible in character, i. e., subject to depletion like a mine, a timber tract, etc.

#### Requires Special Security

"Under such circumstances, it would be folly for bond holders to permit the gradual exhaustion of the property without insisting that a proportionate part of the current revenue be set aside regularly as their special security. Otherwise, the property might be totally exhausted at the due date of the bond, with nothing on hand to pay off the matured indebtedness.

"Aside from capitalization and the issue of securities, corporation finance also concerns itself with maintenance of credit, proper treatment of depreciation, distribution of surplus earnings and reorganization in the event of bankruptcy or a receivership. In all of these respects, life insurance has its corresponding applications to the life value that it incorporates.

"A striking degree of emphasis is being placed by bankers upon adequate life insurance as a support of business credit, and at a more favorable rate of interest.

"To an increasing extent, distributors of bonds are insisting, as additional protection and as an added feature of sale to purchasers of the bonds they offer, that the issues they handle shall be secured with a liberal amount of life insurance on the lives of the leading offi-

## First Chartered Life Company Has Some Unique Files

NORWICH, ENG., Feb. 4.—Some of the earliest records known to the business of life insurance may be found in the filing department of the Norwich Union Life, the general offices of which, because of their beautiful marble interior form one of the show places of this ancient British city of not more than 125,000, although at one time the second city in all England. The records in question are those of the old Amicable Society, known as "The Amicable Society for a Perpetual Assurance Office," which the Norwich Union took over in 1866.

#### Minutes of First Meeting Preserved

Jeffrey W. Capon, a member of the actuarial department who has taken a deep interest in the history of the first life insurance society, took a representative of THE NATIONAL UNDERWRITER into the basement, where Mr. Capon first produced a thin volume in which had been legibly written the minutes of the meeting in London at which the society was organized. This was in 1705. Queen Anne of England granted the society a charter, the first life insurance charter the world had seen up to that time. Other records examined contained the notification of the first death claim, which followed soon after the society was organized.

The society was a mutual and the membership was limited to 2,000 persons. A Fleet street, London, bookseller had originated the plan, and became general manager of the society. Mr. Capon said the last policyholder died recently. It is interesting to note that office employees were punished by fine, if nothing worse, for inducing people to join the society in its early days, a contrast with the treatment they receive at the hands of their superiors in our day for such activity.

#### Reward Offered for Defaulter

It seems that in the early days of life insurance the officials were not without their trials. An interesting item in the offices of the Norwich Union Life is a copy of an advertisement inserted by the Amicable which appeared in a London paper in 1730. The "register" of the society, then 25 years old, had taken his departure with consequent loss to the society:

"A Short fatt man very Full faced Ruddy & pock fretten Speaks quick but thick and short breth'd he wears a Light brown Wigg is aged 50 years upwards and is suspected to have satt out on Tuesday morning last for some Sea Port in order to go over Sea. Whoever shall secure him is desired to give Notice as above and he shall have 200 pounds (about \$500) reward paid to him by the said society." The "ad" was headed with the name of the society.

#### Had Few Facts to Go On

Many things in these old records strike people of the present century as very funny. For instance, a clergyman would be looked to for proof of death. There were no tables showing life expectancy at certain ages, no facts to go on. One is rather astonished at the earnestness of the people running the society. Crude though their methods were, they were serious about the work. Yet, the records show, it was a long time before more than a very few of the modern methods of conducting a life insurance office were introduced.

Mr. Capon would be glad to assist any American life man to get some "Amicable" data should he be interested in the old society and the beginnings of life insurance.

cers of the debtor concerns. Creditors are increasingly recognizing the importance of such safeguards."

## New Underwriting Rules for the Union Central Life

NEW YORK, Feb. 12.—The C. B. Knight agency of the Union Central has announced four new underwriting rules which have just been authorized by the company and which have been approved by the New York department. Hereafter policies which lapse without value at or before the end of the second policy year may be rewritten subject to the usual evidence of insurability if at least six months has passed since lapsation. The due date of the new policy will be advanced by a period equal to the time the policy has been lapsed. The age at issue will be the age corresponding to the new issue date. Should this result in an increased age at issue, the corresponding higher premium will be charged from the date of revival of the insurance, but no charge will be made on account of the difference in age for the period covered by the premiums already paid.

### Additional Insurance Plan

Another ruling provides for the issuing of a supplementary policy, as of attained age, for as much additional insurance as the first dividend will purchase, without further medical requirements. This option may be used on all

plans except term, modified life, joint life and policies written with interim term for more than six months. This dividend option may be used for supplementary policy only on policies to be issued on an annual premium basis and where the full second year's premium for the original policy is paid in cash on the first anniversary. The amount of the original policy shall not be less than \$3,000 so that the amount of dividend earned will purchase a supplementary policy for a minimum of \$1,000 as of the attained age.

### Provision for Aviation Hazard

The third ruling provides for an aviation rider for new business being written where an aviation hazard exists that is not acceptable at standard rates unless this clause is attached. It limits the company's liability to the reserve of the policy where death results as a result of aviation.

The fourth ruling, it is announced, provides for the writing of contracts for retirement annuities at age 65, providing an annuity at that age of \$10 per month per \$1,000 of insurance or its equivalent in cash, the maturity value of the contract being \$1,336.

## Philadelphia Man Led Equitable Life Agencies

S. I. Vogelson of the Philadelphia agency of the Equitable Life of New York led the agency force in new ordinary business last year. He is attached to the A. B. Levy office. He joined the Equitable in 1916, produced \$49,000 during his first year. For a number of years he has produced more than a million annually. His record since 1922 is as follows:

	Volume	Prem.	Cases
1922.....	\$ 635,191	\$18,244	93
1923.....	1,135,000	30,699	104
1924.....	1,070,000	32,264	83
1925.....	1,351,500	33,855	87
1926.....	1,039,580	24,005	67
1927.....	1,591,401	37,905	75
1928.....	1,533,100	45,253	65
1929.....	1,253,500	31,775	49
1930.....	2,004,750	73,415	78

### Sullivan to Make Change

J. P. Sullivan, former general agent of the Lincoln National Life at St. Louis, famous for his difficulties with the St. Louis Life Underwriters Association and for the last year general agent of the Illinois Life in Chicago, who has just resigned that connection, soon will open an advisory service on a fee basis for the benefit of life insurance policyholders.

Mr. Sullivan announces that his office will be completely divorced from production. He is a skilled actuary and a student of life insurance. His service will be offered on the basis of approximately \$2 fee per \$1,000, the policyholder not being required to pay this unless he is satisfied he has profited by the service. Mr. Sullivan says distinctly he will not recommend to his clients any particular company or agent in case new insurance is indicated, and to this end he is closing his life insurance business and realizing on all outstanding commissions before opening the new office. His quarters temporarily will be in his present offices in No. One La Salle Street building.

### Many Seek Aid

ALBANY, Feb. 12.—Under the New York security against old age want law, there have been a total of 36,956 applications for relief which was granted to 16,026, and denied 4,466, leaving some 16,000 undisposed cases.

## Van Winkle in Final Report on Bank of America Debate

LOS ANGELES, Feb. 12.—At the meeting of the Life Managers' Club the feature was the final report of Kellogg Van Winkle, chairman of the committee that has been conferring with officials of the Bank of America for the past two months on the subject of its activities in life underwriting. He stated that it was his understanding that the Bank of America has notified its branch managers that effective Feb. 10 it is no longer connected with any life insurance organization from the standpoint of selling. In other words, it is not going to sell or in any way handle life insurance either directly or through its subsidiary, American Brokerage, Inc.

The speaker of the day was James Samuel Knox, president of the Knox School of Salesmanship & Business Administration of Chicago. He reviewed the methods formerly used in presenting the subject of protection to the prospect and contrasted them with the more efficient plan now in use to a large extent of presenting life insurance more as an investment and also fitting the service to the existing needs of the prospect in each individual case. In contrasting the value of life insurance with other forms of investment he remarked that its economic set-up is far better than that of any other business of which he had any knowledge. In conclusion he suggested that life underwriters sell life insurance as an investment to the American people, and in referring to the recent depression he said it was a good thing in that it had taught people to stop, look, listen and think before investing their money unwisely. "Your job as salesmen," he said, "is to make the prospect think as you think, feel as you feel, and act as you want him to act."

### Liberty National to Build

The Liberty National Life of Birmingham has announced plans for the construction of a new home office building outside of the business district. The building when completed will cost approximately \$500,000, according to R. P. Davison, president.

Plans for the first wing are already under way and as soon as the architect completes them contracts will be let. This first wing is to be ready for occupancy by Oct. 1.



## GREAT SOUTHERN

*agents deal direct  
with the Home office*

The advantages of such an operating condition are obvious. Each Great Southern agent retains his full, liberal, first year commission as well as his exceptionally large renewal commissions.

The direct contract existing between the agent and the Great Southern permits greater home office cooperation which is extended in a full and substantial measure. Contracts are made direct with the Company and are strictly uniform so that each and every agent operates on the same basis.

### Operating in the following states:

Arkansas  
Kansas  
Louisiana  
Mississippi  
Missouri  
New Mexico  
Oklahoma  
Tennessee  
Texas

The Great Southern is well and favorably known. It has a line of policies that allow agents to meet every insurance requirement of every man, woman and child. Ambitious, industrious men who want to increase their earnings, be independent and a valuable member of their community are invited to write the home office.

## GREAT SOUTHERN LIFE INSURANCE COMPANY

E. P. GREENWOOD - PRESIDENT  
HOUSTON TEXAS.



## Burial Society Graft Plan Disclosed

More and more is being heard of the "burial societies" which are being organized in various parts of the country, but particularly in the south and southwest. These "societies" seem to flourish more or less both among the white and colored population.

It is not a new idea for undertakers to organize and provide in advance that their funeral fees shall be paid on some kind of an installment plan. Some years ago an industrial life company was organized in Cincinnati which was owned principally by undertakers and the connection between the undertaker and industrial insurance has been recognized in various directions. Some years ago the Metropolitan Life undertook an investigation of the tendency to increase the cost of funerals among poor people. It is, of course, a fact that industrial insurance is regarded as primarily a means of meeting burial expenses. Particularly among the colored race, an expensive funeral is looked upon with favor. Many undertakers do not hesitate to play upon the weakness for display at funerals by increasing the "size" and expense of funerals. Undertakers catering to poor people naturally are interested in insurance and like to know that their funerals are going to be paid for.

### Plan of Burial Society

It is therefore very easy to see how the "burial society's" idea takes root. The usual plan is to follow the industrial insurance idea and issue a "contract" agreeing to furnish a certain sized funeral for a stipulated weekly sum, or premium. For 10, 15 or 20 cents a week a "\$200 funeral," "a \$300 funeral" or whatever it may be, is furnished, the price of the funeral depending of course not only on the weekly sum paid but on the age of the funeral installment buyer. These rates do not change with

every age, but at five or ten year ages. The abuses of the system in some states have grown to be such that the insurance departments have ruled that they come under the heading of insurance and must be regulated by the departments.

### No Financial Setup

These "societies" are mutuals, and therefore irresponsible, as they do not have any financial setup. It is conceivable that a client might start paying 10 or 20 cents a week at age 25 or 30 and pay for 25 or 30 years only to find at the end of a long period that no reserves had been accumulated. Only state supervision and the putting up of regular insurance reserves would regulate this. Often industrial agents are employed by the undertakers or others who are running the "burial societies" and they are paid on a "times" basis much as in regular industrial insurance. Of course an undertaker in running a "burial society" has the advantage over a regular insurance company in that he not only makes the profit on the insurance but that on the funeral. He may promise a \$75 coffin and actually furnish a painted pine box which costs him \$20 or \$25.

### Buyer Has But Little Recourse

The installment payer has little recourse if he is not satisfied with the service furnished and it is natural that the undertaker will make as much on a funeral in which he has no competition as possible. A favorite trick, it is said, with some of these "burial societies" is that if they have agreed to supply, for instance, a "\$250 funeral," they will go to the widow, if she has a little money saved up, and tell her that while a \$250 funeral has been provided for, "John is worthy of a much better funeral than that," and that for \$250 more

in cash a really fine funeral will be provided. The \$250 in cash will pay the entire expenses so that the undertaker or the "burial society" has had the collections over the years for nothing. All of the burial societies of course are not run directly by undertakers but in nearly all cases, it is said, each one has a contract with a favorite undertaker. These "societies" flourish largely among the colored people but they are by no means confined to them. In Louisville, one concern advertised itself as "The Caucasian Burial Society."

### Boston Pioneer Dies

Francis Marsh, general agent of the John Hancock Mutual Life in Boston for many years, died Saturday in his 89th year. He was a pioneer John Hancock agent, having first connected with the company in 1877. He had two agencies covering eastern Massachusetts, one conducted by his son Edward Marsh, now in the Paul Clark agency. Mr. Marsh retired from active duty in April, 1921. He was for some time secretary of the Boston Life Underwriters Association.

### Qualification Requirements

The Equitable Life of New York announces requirements for qualification in agency clubs as follows:

Century Club—\$100,000 corps, \$100,000, \$3,200 premium, 12 cases; \$150,000 corps, \$150,000, \$4,800 premium, 12 cases; \$200,000 corps, \$200,000, \$6,400 premium, 12 cases. Quarter-Million corps—\$250,000 corps, \$250,000, \$8,000 premium, 12 cases; \$500,000 corps, \$500,000, \$16,000 premium, 12 cases; \$750,000 corps, \$750,000, \$24,000 premium, 12 cases; \$1,000,000 corps, \$1,000,000, \$30,000 premium, 12 cases.

Any new agent appointed after Jan. 1 may qualify as associate member of the Century clubs, provided his paid business in the calendar year is: \$7,000 a month, \$200 premiums and one case each month in the calendar year; mini-

mum amount for qualification being \$50,000, with \$1,200 premium and six cases.

### Contributions to College

The finance committee of the American College of Life Underwriters headed by J. S. Myrick, chairman, who is manager of the Mutual Life of New York in New York, is calling on members of the life insurance fraternity to contribute \$5 toward the support of the college. There are now 208 people who have been awarded the C. L. U. degree. It is stated that there are over 1,000 preparing to take the examination.

### Oppose Actuarial Requirement

Members of the Actuarial Club of Indianapolis at its last meeting announced opposition to a clause in a bill now pending in the Indiana senate, which provides that the insurance commissioner must have five years' experience as an actuary. H. G. Walton, president of the club, asserted that the organization did not suggest or have anything to do with the incorporation of this provision in the bill and did not approve of it.

A. S. Thatcher of the Utah department was the principal speaker, discussing "Modern Accounting Practice and its Relation to Life Insurance Companies." New members admitted were Paul Moore, Dr. E. L. Marshall and W. W. Lane.

### Issues Service Handbook

The Special Libraries Association, a national organization composed of the librarians of the important banks, insurance companies, publishers, and business concerns of all sorts, has compiled a "Handbook of Commercial and Financial Information Services."

This is the only handbook of its kind, Price \$2. Copies may be secured from Special Libraries Association, 11 Nisbet street, Providence, R. I.



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DETROIT **THE MACCABEES** MICHIGAN

D. J. COAKLEY, Supreme Commander

C. L. BIGGS, Supreme Record Keeper



## Result Surveyed on Pool Method

(CONTINUED FROM PAGE 8)

while if he picked any investment trust stock he would have had one chance in five.

A Standard Statistics bulletin covering the first part of 1930 says in part:

### Highlights of 1930 Situation

"During the first half of 1930 some investment companies managed to show a gain in market value of securities held, while a number of others sustain comparatively heavy book losses. The majority however, suffered only small unrealized depreciation, net assets of 13 individual portfolios having declined on an average of 4.4 percent as compared with a drop of 4.6 in our 90-stock index. Obviously, then, these companies displayed only slightly better than average skill in market forecasts for the semi-annual period."

The lesson to be learned from the investment trust, able life insurance men say, is that brains and expert knowledge can go but a limited way in lessening the hazards of speculative investments, and that even if the life insurance prospect were as shrewd a stock trader as the average investment trust manager he still is far from being justified in speculating with funds which should be invested as safely as is humanly possible.

## Constructive Measures Urged by W. L. Crocker

(CONTINUED FROM PAGE 8)

just under 32 percent. The abnormality in the withdrawals is evident.

He says 1930 was a peak year in this respect and this fact must be accepted as an accompaniment of the times, affecting all companies. It cannot be denied, he says, that the small policies have terminated in greater relative volume than those of large amount, which is again an illustration in practical economics.

### Comments on Results

"The exhibit of ordinary insurance procured included a full year's writings of the preferred risk whole life policy, or \$46,681,986 on 6,312 policies, or 14 percent of the entire amount of ordinary issue, exclusive of group. These policies averaged about \$7,400 each. The endowment at 85 comprised 41 percent, the 20 payment life 20 percent, the modified life 5 percent, the endowments, 10 percent and term 5 percent of the entire ordinary business written, which aggregated 7,500 more policies and about \$8,000,000 less in amount than in 1929."

He commented on health activities, nurse service to industrial policyholders and accident and health propaganda. More than 2,500,000 booklets covering 14 subjects relating to health were distributed in 1930.

Health movies on hygiene, preventive measures against prevalent contagious diseases and common causes of accident on highways reached audiences numbering some 300,000 persons, and one film, "Why Be Careless," by more than 950,000 people.

### Have Have Prolonged Lives

"Many direct effects may be noted from these activities, including the definite item on the debit side of upwards of \$650,000 spent for the purpose, and a very useful record of service on our behalf on the credit side. We believe many lives have been materially prolonged.

"When we come to the investment situation as it applies to us we but touch another phase of the general condition of our country and its affairs.

"The wide-spread depression in agriculture has shown the weak spots which could not be so well seen in a time of optimistic markets. These spots we

## Workers in Home Office May Now Get C. L. U. Order

A plan whereby home office employees and other inside workers in life insurance may qualify for the C. L. U. designation, has been developed by the American College of Life Underwriters. The project was proposed at the meeting of the board of directors of the American College at its meeting at Toronto in connection with the National Association of Life Underwriters.

Instead of requiring that candidates for the C. L. U. designation must have had three years' experience selling life insurance, the rules have been changed so that those who have had three years' experience teaching life insurance or managing or supervising those engaged in the selling of life insurance may take the examination. The examinations are to be the same for both groups and are to be supervised in the same manner.

"It is believed," the American College states, "that this arrangement will yield a two-fold benefit to home offices in establishing an educational goal for the training of future executives and department heads and affording a training along C. L. U. lines to home office employees who may subsequently go into the field."

The proposed plan has met with the approval of H. H. Allen, secretary of the Mutual Benefit Life, and J. P. Yort, secretary of the Acacia Mutual, who were the two original proponents of the scheme.

### Salt Lake City Wins Prize

The Salt Lake City office of the Lincoln National Life has been announced the winner of the 1930 conservation contest for branch offices. The San Antonio, Tex., office was second and Fargo third. The contest staged was country wide—all larger offices competing. Because of their excellent work on reducing lapsation, these three offices named above were awarded a large bronze plaque of the Pickett head of Lincoln, the original of which hangs in the lobby of the home office in Fort Wayne. Cashiers of these winning offices were awarded personal prizes for their efforts during the year.

avoid in current operations and conserve our holdings of land awaiting the return of better times. The aftermath of the difficulties which have beset this primary and necessary activity has been accentuated by the great drought in the south, which section is having its full share of troubles bravely faced but requiring outside assistance.

### Problems Concern Nation

"This assistance must be given and it is to the interest of the other sections of the country to join in the movement, since these problems are the concern of the entire nation, and recovery all around is necessary before we can become a prosperous people.

"The investment of our policyholders' funds has become a business of great activity and requires as much attention, energy, and industry for its prosecution as does the fundamental business of insurance which is our reason for being. And at present the indications are that it will need unusual concentration of effort from now on for a while at least to maintain the current average rate of return.

"The low current rates for money will not only place many new security issues beneath consideration but will invite refunding operations which will not result in an attractive yield for us, thus making it necessary to replace existing investments with other types of security at a more rapid rate than is usual in normal times."

# The Pacific Mutual Life Insurance Company of California

(Founded 1868)

(Capital, fully paid, \$4,840,000)

## THE SIXTY-THIRD ANNUAL REPORT

of the Company for 1930 contains many evidences of its continued prosperity.

Some of the principal items are given in the following

### ABSTRACT FROM THE ANNUAL STATEMENT as of December 31, 1930

New Life Insurance Issued (Paid-for Basis) .....	\$100,919,764
Total Life Insurance in Force.....	766,887,350
Gain in Life Insurance in Force...	33,418,691
Total Cash Income.....	48,360,692
Gain in Cash Income.....	2,730,041
Total Paid Policyholders.....	22,310,786
Grand Total Paid Policyholders Since Organization .....	205,006,147
Surplus, Assigned and Unassigned (Exclusive of Capital).....	13,619,865
Gain in Unassigned Surplus.....	923,063
Gain in Admitted Assets.....	15,386,366
Gain in Reserves.....	13,227,566
Premium Income, Accident Department .....	6,631,764

The Death Rate in 1930 was 62.6 per cent of the Expected Rate. The Average Rate of Interest earned on the Company's total invested Assets was 6.30 per cent. An unusual record was made by the Investment Department in that on the \$86,476,775.10 loaned on mortgages there was only one item of interest delinquent at the close of the year, which has since been paid.

**Home Office**  
**LOS ANGELES, CALIFORNIA**

## AS SEEN FROM NEW YORK

### WORK OF PRUDENTIAL AGENCY

The feat of increasing its paid-for business from \$5,185,000 in 1929 to \$13,334,000 in 1930 was celebrated by the Stuyvesant ordinary agency of the Prudential in New York City recently. The agency is two and one-half years old. Speaking of the remarkable record of the agency's manager, Andrew Kakoyannis, Dr. C. T. Brown, associate medical director of the Prudential, said: "I have been with the company more than 20 years and in all Prudential history I know of no one who has accomplished so much in so short a time."

Mr. Kakoyannis expressed deep appreciation for the cooperation of home office executives who had backed him in the face of considerable skepticism as to the advisability of establishing an ordinary agency in the uptown section. He thanked brokers and special agents and particularly Associate Manager H. B. Thomas for their work in building up the agency.

### MCNULTY OFFICE BOOMS

The J. A. McNulty office of the Prudential, which paid for \$8,600,000 in 1930, the first calendar year of its existence, has produced practically \$1,000,000 of new business so far this month. Its goal for 1931 is \$15,000,000. Mr. McNulty is doubling the office space for full-time men, looking forward to increasing his staff of 38 special agents.

### THE FRANK PENNELLS

Frank Pennell, general agent of the State Mutual Life in New York City, and Frank Pennell, character in the latest Broadway hit, "You Said It," are not identical in name through mere coincidence. One of the authors of the musical comedy is Jack Yellen, who was on the staff of the University of Michigan daily when Mr. Pennell was managing editor. Both subsequently went into professional journalism, Mr. Pennell later becoming connected with THE NATIONAL UNDERWRITER.

### DUFFIELD AND GEORGE TESTIFY

President E. D. Duffield of the Prudential and Treasurer H. W. George of the Metropolitan Life were among the business leaders who testified before the ways and means committee of the house of representatives at Washington, D. C., as to the probable disastrous effect of the proposed veterans' bonus legislation. Mr. Duffield said the floating of a large new government issue would mean that the Prudential would delay investments in municipal, industrial, railroad and commercial bonds.

Mr. George estimated that a loss of \$166,000,000 to holders of federal securities had already occurred because of the agitation in Congress for passage of the bonus measure. He estimated that the total loss on all the larger class of securities, government, railroad, industrial, and municipal, would amount to more than \$3,750,000,000 or more than the amount of the bonus certificates which would result from the passage of such legislation.

### ISAAC GOLDSTEIN'S RECORD

Isaac Goldstein, superintendent of District No. 9 of the Prudential in New York City, whose office led the company countrywide in 1929 in production of ordinary business in industrial offices, almost repeated his record in 1930 but was forced into second place although leading Division A, which includes most of the New York metropolitan area. His office was third in the production of industrial insurance countrywide in 1930.

As a result of his leadership in 1929 Mr. Goldstein last year gave an address on the writing of ordinary business in industrial offices at the company's con-

vention of superintendents. The address has since been printed and distributed for use in the field.

### ENGELSMAN IS APPOINTED

R. G. Engelsman, general agent in New York of the Penn Mutual Life, has been appointed chairman of the advertising committee of the Life Underwriters Association of New York City by President L. G. Simon. Mr. Simon also announced that W. C. Bawden, executive manager of the association, will be in complete charge of the association's publication, "The Bulletin."

### EQUITABLE'S DEATH CLAIMS

The Equitable Life of New York in 1930 paid 99.3 percent of its death claims within 24 hours of receipt of proof of death, an analysis of the records shows. Of a total of 19,849 death claims for the year only 145 were held up longer than 24 hours, usually the result of a technical oversight on the part of the beneficiaries in filling out the necessary papers. The total amount paid out in death claims exceeded \$66,000,000.

### WOULD EXTEND CREDIT

A bill has been introduced in the New York legislature authorizing extension of credit by a broker in the payment of premiums on insurance policies. This will legalize the practice in the solicitation of life insurance of taking the note of the assured in payment of the first premium without interest being paid by the assured.

### NEW YORK PENSION PAYMENTS

Payments varying from \$10 to \$50 have already been made to more than 15,000 aged persons under the New York old age pension plan which went into effect Jan. 1. It is estimated that the number to receive payments this month will be about 18,000. About 37,000 applications have been submitted. Many of them are still pending. The number of denials is about one-fourth of the number of applications.

The average allowance so far granted in New York City is \$33.36 a month while in other districts the average is \$21.04. The total amount of relief may reach \$10,000,000 this year. The applicants average 51.6 percent men and 48.4 percent women. In New York City the number of women applicants exceeds the number of men by 14 percent while

in the upstate cities and counties the men are in the majority by nearly 20 percent.

### TO OPEN TRAINING COURSE

The C. E. DeLong agency of the Mutual Benefit Life in New York City will open its training course for new men next week under the direction of Mr. DeLong and C. P. Dawson, manager of the agency's mid-town office. The agency has had remarkable success with its schools in the past, with the result that 95 percent of the men who entered the business by this route have remained in the field of life underwriting.

### TO LAY OFF NO EMPLOYEES

Among the 25 large corporations which have already given assurance to their employees, who total about 500,000, that there will be no layoffs are the Metropolitan Life, the New York Life, the Equitable Life of New York, Travelers, Guardian Life and the Home Life of New York. The Welfare Council co-ordinating committee on unemployment, which has headquarters in New York, has sent out letters to representative concerns without attempting to cover the entire field.

### EPISCOPAL GROUP PLAN

For the first time in the history of the denomination the Protestant Episcopal church has insured the lives of a group of its clergy through a group insurance policy. Premiums on every active clergyman in the diocese of Long Island, totaling about 175, will be paid by the trustees of the diocese through the Church Life Insurance Corporation of New York. These policies do not affect the church pension fund operation, the new policies will be paid for out of an amount set aside as an endowment, the income of which will be sufficient to pay the premiums. There will be no responsibilities attached to the assureds.

### MADDEN A FREQUENT SPEAKER

P. B. Madden, assistant manager of the F. L. Hering office of the Prudential in New York, has been a frequent speaker at meetings at the industrial offices in Greater New York. Mr. Madden's talent for practical educational work has caused him to be in great demand among local managers.

### LANE AGENCY INCORPORATES

The Lane agency of the Home Life of New York in New York City has incorporated under the name of the Lane Agency, Inc. Louis Lane is president, M. L. Lane vice-president and treasurer

## Use of Insurance, Not Its Academic Value, Makes Sale

"No man today questions the value of life insurance but every man questions the value of life insurance for himself." This important distinction was made before the third of a series of regional meetings of the Franklin Life in Chicago by E. B. Thurman, Chicago general agent for the New England Mutual. Mr. Thurman urged the agents to cease talking about life insurance academically and institutionally and direct their efforts towards showing prospective buyers of insurance how insurance will solve their problems for them. Life insurance, he said, is not complicated. The business is simple. The complications arise in the application of its simple principles to the complicated problems confronting people.

The speaker added that success will not come to the life insurance agent who takes his business for granted. "It is said that every good life insurance man must be a nut," Mr. Thurman said. "That is true. A good life insurance man must be nutty about his business."

Mr. Thurman sandwiched in a useful bit of selling technique. The prospect who tells the agent he is "carrying" a certain amount of life insurance can be answered by the statement: "The life insurance you carry is the difference between the amount you leave and what your family needs. No insurance company would carry that risk. It wouldn't put all of its assets behind a single risk."

The program which occupied two days was centered about the theme that the investment and old age accumulation features of life insurance should be emphasized today above the death payment. Life insurance should be conceived as a method of saving and investment which will provide for the entire family with the insured in it, rather than merely for the beneficiaries after the insured is dead.

The program was opened by F. J. Budinger, Chicago general agent for the Franklin Life, while the agents were welcomed in behalf of the company by Vice-President J. W. Jones. Other speakers were Dr. C. J. Rockwell, life insurance educator; F. R. Jordan, actuary, and C. E. Randall, superintendent of agents. A banquet was held the evening of the first day's program. Agents from Missouri, Illinois, Wisconsin, southwestern Michigan, and Indiana attended.

and F. L. Lane vice-president and secretary. T. A. Harris, one of the leading producers of the agency, has been appointed supervisor of agents.

### NEW JANUARY RECORD

The Times Square agency of the Prudential in New York City of which J. A. McNulty is manager, established a new record for itself in January, paying for \$1,330,000. That this was not the result of any lucky breaks is shown by the fact that the largest policy was for \$100,000. The agency is expanding rapidly. Mr. McNulty having recently doubled the space allotted to full time producers.

### MCNAMARA AGENCY'S RECORD

Of the 19 leading producers of the Guardian Life, 12 were members of the J. C. McNamara organization in New York City. In order of their ranking they are: Donald Russell, W. E. Knowlton, E. P. Herbert, P. F. Broughton, J. M. Eisendrath, J. H. Brady, F. M. Minninger, Jr., Charles Minarcik, W. J. Chambers, Jr., Henry Sheldon, A. B. Siegal and W. A. Schumacher. The McNamara agency finished in sixth place among all New York general agencies, having climbed from eighth place which it held for 1929. The office wrote nearly \$25,000,000 in 1930, exceeding its 1929 mark by more than \$1,500,000.

## Demonstrate Direct Mail Is Profitable

Interesting results from the use of direct mail through an estate appeal were given at the annual agency meeting of the A. E. Patterson general agency of the Penn Mutual Life in Chicago. It was disclosed that the return of the 15 agents who used this method last year averaged approximately \$6.50 for each dollar invested. In the year 46,319 letters were sent out and \$405,010 of business secured, the cost being \$926.38 and cash first year commissions \$6,075. R. E. Olmsted, C. L. U., unit supervisor and a member of the agency's educational staff, revealed.

### Detailed Individual Results

In January 4,367 letters were sent and the paid volume obtained from these was \$16,000. Results in the succeeding months were: February, 1,160, \$40,500; March, 2,225 letters, \$48,500; April, 3,865 letters, \$9,500; May, 2,898 letters, \$53,000; June, 2,968 letters, \$41,710; July, 3,475 letters, \$58,500; August, 5,500 letters, \$14,500; September, 8,560 letters, \$82,500; October, 2,175 letters, \$39,000; November, 3,000 letters, \$7,300; December, 6,126 letters, 51 applications not paid for in December.

Individual results for the 15 agents

were: No. 1—2,963 letters, \$58,710; No. 2—2,635 letters, \$56,000; No. 3—1,588 letters, \$2,500; No. 4—4,000 letters, \$5,000; No. 5—1,500 letters, no business; No. 6, 2,425 letters, \$7,500; No. 7, 1,935 letters, \$52,000; No. 8—5,585 letters, \$74,300; No. 9—4,392 letters, \$38,500; No. 10—3,198 letters, \$35,500; No. 11—4,200 letters, \$16,000; No. 12—2,525 letters, \$27,500; No. 13—3,443 letters, \$10,000; No. 14—3,030 letters, \$10,500; No. 15—750 letters, \$11,000.

It will be seen that agent No. 7 spent only \$38.70 for the letters and had cash commissions of about \$780 so that his return was approximately \$20 for each dollar invested in direct mail. There were several others, however, with returns as high as \$15 or \$16.

### Ignores Non-Replies

Mr. Olmsted does not take into consideration any business sold in following up non-replies or any indirect business of which it was apparent there had been and would be a great deal.

Robert West, agent, reported his actual return was about average, but Miss Vivian Gray said in the year she made \$14 commission for every dollar which she invested in letters.



## LIFE COMPANY CONVENTIONS

### Country Life Agents Gather

**L. A. Williams, General Manager Presents Highly Instructive Program Covering Multiplicity of Topics**

A highly instructive program was presented to the agents' conference of the Country Life of Chicago held in Bloomington Monday and Tuesday. L. A. Williams, general manager, had prepared a careful prospectus to cover specifically as many topics as possible during the two-day session, and the program was carried out efficiently.

Among the first day speakers in addition to Mr. Williams were Dr. J. E. Boland, medical director, C. C. Remler, V. Vaniman, and H. B. Skelton, business manager of the "Estate-O-Graph." An agents' banquet was held at the Y. W. C. A. in the evening.

Among the topics discussed by Mr. Williams during the morning session of the second day were corporation insurance, partnership insurance, participating paid-up insurance, contingent beneficiary, group, term insurance, life expectancy, modified life, half rate, anticipated loan, automatic loan, reinstatement under automatic loan, reinstatement under extended insurance, trial application, double indemnity for women, waiver of premium for women, dividends, net cost, conversions, commissions, contracts, territorial relationship, subagents, contracts, quotas and bonuses.

**Guy H. Fuller**, vice-president Home State Life, died at his home in Oklahoma City Tuesday of pneumonia. He was head of the Fuller Adjustment Co.

### Pointers for General Agents

**H. L. French Speaks at Northwestern Mutual Life Meeting—Elect Three Vice-Presidents**

At the meeting of the general agents association of the Northwestern Mutual Life in Chicago last week, the following vice-presidents were elected: A. L. Baldwin, Washington, D. C., zone No. 1; H. L. French, Madison, Wis., zone No. 2, and A. C. Hoene, Duluth, Minn., zone No. 3. C. L. McMillan, Milwaukee, is president.

At the afternoon session of the last day Mr. French in speaking on "Personal Effectiveness" made some pointed remarks. "I absolutely believe it is not necessary to finance men," he said. "Does the doctor or lawyer who hangs out his shingle get financial aid from any one? Do not take notes from agents. If agents wish to get financing they can go to the bank. The general agent has no business in the banking business and should get out of it. We will not make real agents until we make agents who are really financially responsible. When they learn that they must lean upon themselves they will then become effective men."

"In the last few months we have actually been talking men out of the business instead of talking them into it. Why can't we go out for a higher grade of men? Recently with so many men out of work a great many men have just come drifting in figuring that they could knock off something easy in the life insurance business as a meal ticket until better times come."

Mr. French said that for example many local storekeepers who have been forced out of business by chain stores,

or salesmen who have been released from wholesale houses, or school teachers who realize that they are not getting very far, are a fertile field for a much higher type of men and "we can go out and get them."

### Wisconsin Life Agents Meet

**Several Outside Speakers of Prominence Feature Annual Convention Held in Madison**

Agents of the Wisconsin Life of Madison held their convention in that city Feb. 12-13. P. W. Cook, educational director in the Chicago agency of the Mutual Benefit, spoke at the opening session Thursday. There was a theater party for visiting ladies in the afternoon and a dinner-dance was held in the evening. G. P. Hambrecht, director of the state board of vocational education, gave an address on the Lincoln-Douglas debates.

A business session is scheduled for Friday morning at which H. A. Zischke, manager Union Central in Chicago, is to speak. Chief Justice M. B. Rosenberry of the Wisconsin supreme court is to talk at a luncheon. Another luncheon is scheduled for visiting ladies with entertainment in the afternoon. A business session for agents is on the program in the afternoon at which S. G. Dickinson of the Life Insurance Sales Research Bureau, Hartford, is to speak.

### Club Meets in New Orleans

Nearly 125 agents of the Jefferson Standard Life have qualified for membership in the \$150,000 Club, which meets in New Orleans Mardi Gras week, Feb. 16-18. Representatives will be present from the 26 states in which the Jefferson Standard company does business. President Julian Price and other officers of the company will be on hand. There will be a definite program of training features, climaxed by the ad-

dress of A. L. Brooks, vice-president and general counsel.

### Atlas Agents Meet

Culminating the Atlas Life's convention in Tulsa, Okla., last week attended by agents from Missouri, Arkansas, Texas, California, Oregon and Oklahoma, a group of Oklahoma underwriters receiving the highest averages for 1930, and their wives, went on a 10-day trip to Mexico City as guests of the company.

### Home Life Club Meeting

Jan. 20-23 has been designated as the new date for next year's meeting of the president's club of the Home Life of New York, the organization of its leading producers. The convention will be at Hollywood Beach, Fla., and is expected to be the greatest in the company's history.

### Hold Conference in Des Moines

A conference of salesmen of the National Life of Des Moines from Iowa and surrounding states was held there last week. William Koch, vice-president, was in charge. The speakers in addition to home office officials were Leslie Smith, manager for Oklahoma; Tom Rudicil, regional supervisor, St. Louis; E. H. Stoll, Chicago; C. S. Siferd, Keokuk; W. C. Braden, Oskaloosa; Ben Pangburn, Jefferson, and G. A. Hoffman, Des Moines. Vice-president Koch outlines an intensive development program to be adopted for 1931.

### Confederation Life Promotions

Four promotions from assistant superintendents of agencies to superintendents of agencies have been made by the Confederation Life as follows: R. H. Melville, western division; P. S. Roberts, eastern division; William Boulton, central division; A. E. Lawson, southern division.

## West Coast Life Insurance Company San Francisco, California

### FINANCIAL STATEMENT, DECEMBER 31, 1930

ADMITTED ASSETS		LIABILITIES	
First Mortgage Loans (secured by property appraised at \$17,166,370)	\$ 6,926,775.10	Reserve on All Outstanding Policies	\$17,615,478.71
Bonds and Stocks Owned	5,652,752.79	Reserve for Losses Incurred	248,029.56
Policy Loans and Premium Notes (within reserve)	4,936,155.93	Interest and Premiums Paid in Advance	107,844.10
Home Office Building and Other Real Estate	1,455,686.80	Reserves for Taxes Payable During 1931	73,351.17
Collateral Loans	120,066.15	Contingency Reserve for Investments	350,000.00
Net Premiums Outstanding and Deferred (secured by legal reserve)	865,112.36	Sundry Liabilities	62,179.58
Interest and Rents Due and Accrued	124,467.03	Capital Stock	\$750,000.00
Cash in Banks and in Office	385,560.42	Assigned Surplus (Deferred and Annual Dividend Funds)	705,924.85
Other Assets	77,714.73	Unassigned Surplus	631,483.34
<b>TOTAL ADMITTED ASSETS</b>	<b>\$20,544,291.31</b>	<b>SURPLUS TO POLICYHOLDERS</b>	<b>2,087,408.19</b>
		<b>Total</b>	<b>\$20,544,291.31</b>

### GROWTH IN FIVE YEARS

	January 1, 1926	January 1, 1931
Business in Force	\$88,760,346.00	\$133,035,399.00
Premium Income	3,132,133.97	4,637,355.20
Total Income	4,032,090.59	5,942,459.66
Admitted Assets	12,175,912.03	20,544,291.31

**West Coast Service, in Addition to the Regular Business, Embraces Juvenile Policies, Group Life and Disability, Wholesale Insurance, Selective Risk Plan, Substandard Business and Combination Weekly Accident and Health and Dismemberment**

**NEW BUSINESS 9.2% INCREASE OVER 1929  
OPERATES IN SEVENTEEN STATES**

## NEWS OF THE COMPANIES

### John Hancock's Statement

Some Interesting Figures Taken From the Annual Financial Exhibit of the Company

At the annual meeting of the John Hancock Mutual this week President Crocker reported the new business last year \$664,488,759, increase 7.3 percent. This brings the outstanding insurance to \$3,500,000,000, insuring over 4,500,000 persons. The assets increased \$41,980,835, making that item \$584,121,813. There is surplus \$42,801,504, which is 8.65 of the legal reserve. The surplus increased \$3,114,103. During 68 years the company has paid \$681,561,755 to policyholders, the amount paid last year being \$75,121,420. The income was \$154,381,580, of which \$122,643,406 came from premiums. In its home state the John Hancock has in force \$706,519,102.

President Crocker showed that the company made substantial increases in its group department, although recently started. It now has group insurance of more than \$250,000,000. It invested last year \$82,300,519, on which 5.58 percent was earned. City and suburban real estate mortgages formed the chief item or 30.61 percent, the annual return being 5.78 percent. On bonds the return was 4.99 percent, they comprising 14.38 of the total investments. The whole stock account amounts to 3.94 percent of the assets and gave a return of 5.02 percent. The dividend rate to policyholders is continued, the amount set aside for this year being \$20,220,000.

### Acacia Mutual Life Figures

The Acacia Mutual Life of Washington in its annual figures shows assets \$39,465,106, increase \$5,599,526, net surplus \$1,527,272, insurance in force \$359,197,259, increase \$21,197,848, new business \$50,627,595. Its increase in income was \$934,526. The Acacia Mutual is known for its low initial rates. William Montgomery, the president, is one of the best known insurance executives in the country. The Acacia Mutual always makes strides.

### Increase in Assets Is Made

Annual Meeting of National Life & Accident Votes to Reduce Par Value of Shares

NASHVILLE, TENN., Feb. 12.—An increase of over \$3,000,000 in assets was announced at the annual meeting of the National Life & Accident. The assets are \$29,500,000. In order to bring about a wider distribution of stock a resolution was adopted calling for the splitting of the shares into 300,000 shares of \$10 each. Up until this time it has been divided into 30,000 shares of \$100 each. The report of C. A. Craig, president, showed that the legal reserve had been increased a little more than \$2,500,000 while the epidemic reserve had been increased \$150,000. After listing the assets at market value the company created a special reserve fund of \$100,000 to take care of future fluctuations. Claims paid amounted to over \$6,500,000, bringing total paid since organization to \$77,800,000.

### Company Has Fine Record

North American Reassurance Presents Gains in Its Annual Financial Exhibit

The North American Reassurance of New York, which is one of the great reinsurance companies in the country, devoting itself to life insurance and its allied lines, in publishing its annual statement shows assets \$12,426,015, contingency reserve \$100,000, capital \$1,000,000, net surplus \$1,180,421, life insurance in force \$206,161,000. The North American Reassurance is particularly well officered. Every man on its official staff is an expert. Read the list and one finds that each officer has made an enviable reputation:

L. M. Cathles, president; Arthur Corburn, vice-president; W. H. Smith, secretary; J. W. Thomson, actuary and assistant secretary; J. Howard Oden, assistant secretary; Pearce Shepherd, assistant secretary and assistant actuary; Dr. E. W. Beckwith, medical di-

rector; E. T. Westlake, assistant treasurer. The company has a particularly strong board of directors.

### Some Interesting Figures

Mutual Life of New York Brings Out Important Items in Its Statement

There are some interesting features in the new annual statement of the Mutual Life of New York. Its surplus is now \$61,368,204, assets \$1,052,196,494, new business \$471,327,848, insurance in force \$4,464,278,069, gain \$165,503,523, income \$227,193,377, disbursements \$172,260,467, paid policyholders \$139,152,677. The Mutual Life paid for disability benefits last year \$3,656,257. The total the year before was \$2,633,105. The double indemnity benefits were \$1,291,710. Of the new business last year \$369,445,534 was life, \$39,656,516 endowment and \$37,339,203 on other forms. The average policy last year was \$3,589 and the year before \$3,758. The company has set aside as dividends this year \$45,886,107. Its mortgage loans last year yielded 5.29 percent. Its mortgage loans amount to \$300,132,260, all on city property. The average yield on its assets excluding policy loans and real estate was 4.84.

### Equitable of New York Mortgage Loan Statistics

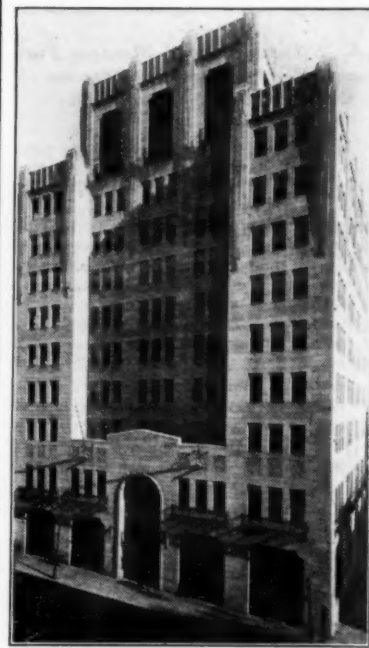
With a background of nearly \$90,000,000 in mortgage loans in 1930, the Equitable Life of New York closed the first month of 1931 with a total of over \$9,000,000 allotted to borrowers on real estate. Nearly two-thirds of this amount was loaned on the insured mortgage plan under which a residence loan running from 10 to 15 years is coupled with insurance on the life of the borrower so that, should he die before the mortgage has been paid off, the life insurance will remove the first mortgage from the home and return to the borrower's family all the payments previously made on the principal of the loan.

Farm loans, which were allocated \$25,000,000 by the Equitable last year, had another large month in January, approvals in this class reaching over \$3,000,000. In accordance with the company's policy of diversification, its real estate loans in January were scattered over 327 cities and 40 states.

### Pacific Mutual Life Made Exceedingly Fine Showing

The Pacific Mutual Life in its annual statement shows new business \$100,919,764, insurance in force \$766,887,350, gain \$33,418,691, total income \$48,360,692, gain \$2,730,041, paid policyholders \$22,310,786, unassigned surplus \$9,603,148, policyholders' surplus, exclusive of capital which is \$4,840,000, \$13,619,865, gain in surplus \$923,063, gain in assets \$15,386,366, accident income \$6,631,764. The mortality ratio was 62.6 percent. The average rate of interest earned on its

### Baltimore Life's New Home Office



The new home of the Baltimore Life, which has just been completed and now occupied by the company, is located at Charles and Saratoga streets and is one of the most handsome of the newer buildings in Baltimore. It is 11 stories high and constructed of Indiana limestone with hollow tile floors and walls and the interior is finished in marble and bronze.

The company is occupying six floors, the rest being rented. The entire fourth floor is occupied by agency forces and the executive offices which occupy the fifth floor are handsomely finished in American walnut with furniture of early American period. The sixth and seventh floors are occupied by the working forces and on the eleventh story is the library for the use of the employees. The tenth is the recreation floor, which consists of lounging rooms, kitchen and lunchroom, two roof gardens, one on the north and one on the south side of the building, which is exclusively for employees of the company. The eighth floor is occupied by the law firm of Niles, Barton, Morrow & Yost, counsel for the Baltimore Life.

total assets was 6.3. Of the amount loaned on mortgages \$86,476,775, there was only one item of delinquent interest at the end of the year which has since been paid. The Pacific Mutual makes a particularly fine showing.

### Mutualization of North American, Canada, Proposed

Stockholders of the North American Life of Toronto will vote March 5 on a proposal to mutualize the company. The directors have recommended that the guaranteed capital of the company be redeemed and the company become purely mutual.

The North American Life was incorporated as a mutual, with a guaranteed capital, which now consists of \$1,000,000, authorized, divided into shares of \$100 each, on which \$20 a share has been paid. Dividends on these guaranteed shares are limited to 10 percent of the amount paid up.

Several years ago when an effort was made to buy the guaranteed shares, a friendly corporation gained control of them and they are now owned by Thomas Bradshaw, president of the

## MEETS YOUR SELLING NEEDS



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THIS is a picture from The National Underwriter 1932 Calendar designed especially to fit the selling needs of the life underwriter. It has 12 timely rotogravure pictures mounted on a heavy green board back. Exclusive franchises granted in cities under 100,000. Send 10c for sample.

The National Underwriter  
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Life

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THE LINCOLN NATIONAL LIFE INSURANCE COMPANY OF FT. WAYNE, IND.

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Underwriter  
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of  
"The Lincoln  
Life Man."



company. He is willing to sell them to the company at \$127.50 a share.

This is the 50th anniversary year of the company and the directors believe it would be appropriate to mutualize at this time.

### Western States Life Head

**Arthur D. King, First Vice President, Has Been Elected President to Succeed T. G. Crothers**

SAN FRANCISCO, Feb. 12.—At the annual meeting of Western States Life of San Francisco the retirement of T. G. Crothers from the presidency was announced and the election of Arthur D. King to succeed him. Mr. King has been first vice president. Mr. Crothers retires after 13 years with the company as general counsel, vice president and president. He stated that he planned to devote considerable time to travel. Henry D. Nichols, prominent San Francisco business man, was added to the board. The annual statement showed an increase of \$2,436,252 in assets to a total of \$24,962,044. It has 55,272 policies in force for \$158,612,425, a gain of nearly \$10,000,000 for last year.

### United States Annuity Taken Over for Liquidation

PITTSBURGH, Feb. 12.—Commissioner Armstrong has announced that in accordance with a supreme court decision he has taken over the affairs of the United States Annuity of Pittsburgh for liquidation. It was formerly conducted as a fraternal but was recently doing business on a higher rate basis.

The Dauphin county court last October directed the commissioner to take over the society and the company appealed to the supreme court, which recently upheld the lower court's decision.

Mr. Armstrong in his announcement said: "The supreme court's opinion refers to the unlawful acts of the officers in conducting its affairs, and to the imprudent manner in making investments somewhat for their own benefit, and criticizes these officers for operating the corporation illegally for ten years."

### All-States Life

Algernon Blair and H. M. Hobbie were elected vice-presidents of the All-States Life at its annual meeting. W. C. Jennings, who served during the past year as assistant secretary and actuary, was elected secretary-actuary, and R. D. Quisenberry, heretofore secretary, was chosen as secretary-treasurer. H. H. Wilson, capitalist, was added to the directorate.

The All-States increased its insurance in force \$6,000,000 last year, making a \$19,000,000 total. It expects to enter Virginia and Pennsylvania soon.

### Guardian Life Figures

The Guardian Life wrote almost the same amount of new business in 1930 as in 1929, a year in which the company exceeded its previous record by 16 percent. Production for 1930 was \$87,560,322 as compared with \$87,702,296 for 1929. Surplus earnings in 1930 were \$3,917,170, the largest in its history. Assets are \$84,737,076 of which \$513,875 was in cash, \$8,523,070 in bonds, \$2,068,689 in real estate and \$52,697,233 in mortgages on real estate. At the end of the year the general surplus was \$4,264,490.

### Lincoln Liberty Control Changes

Control of the Lincoln Liberty Life, Lincoln, Neb., has been purchased by Ira Crook and Joseph Albin, who have been in charge of production for a dozen years. Mr. Crook has been elected president, succeeding Mayor D. L. Love, who remains as a director. Mr. Albin is

secretary and general manager; H. L. Schwenger and George L. Towne, vice-presidents, and W. E. Barkley, treasurer. The company wrote and revived over \$7,000,000 of business in Nebraska, a 22 percent increase, and has \$23,518,000 in force. It has agencies in eight mid-western states.

### General Life Is Retiring

The General Life of Kansas City, Mo., has retired from business, reinsuring its insurance in the National Protective of that city. It was licensed Jan. 18 last year with capital \$25,000. It wrote life, accident and health.

### Connecticut General's Gains

The Connecticut General Life's annual statement shows new business \$241,679,390, insurance in force \$1,229,539,612, life department income \$37,552,672, accident income \$2,878,624, total income \$40,431,296. The assets are \$143,176,806 and policyholders surplus is \$9,193,762. The Connecticut General has made substantial growth.

### Bankers of Iowa Figures

The average rate of interest on mean invested funds of the Bankers Life of Iowa last year was 5.2 percent. Its

mortality ratio on its legal reserve business was 56.4 percent. Its total new business last year was \$124,705,248.

### Now Washington National

The name of the Washington Fidelity National of Chicago, which writes life, health and accident insurance, has been changed to the Washington National.

### Life Company Notes

The mortality ratio of the Central Life of Chicago was 37.08 percent.

The Ohio State Life, which wrote its first policy July 10, 1906, is preparing to hold a birthday part in Columbus about July 25.

Approval of change of name of the Commercial Mutual Life Association to the Golden Bear Mutual Life Association has been granted by Commissioner Mitchell of California.

### New England Mutual Honors

The General Agents Association of the New England Mutual Life has awarded a loving cup for the leader in new paid business for 1930 to A. L. Miller of the Fowler general agency in Chicago, who paid for \$1,072,500. Another cup was given to R. M. Buckmaster of Hartford, who insured the largest number of lives, his record being 139.

### Uses His Policyholders for Getting Agency Connections

In an address before the general agents' convention of the Provident Mutual Life at the Edgewater Gulf hotel, Edgewater Park, Miss., Spiller Hicks, general agent at Bluefield, W. Va., told of his use of policyholders as sources for new men. In taking up his general agency work he personally interviewed everyone of his policyholders in the new territory, told them of his problems in building an agency and asked for their help in the suggestion of names of young men of character and ability. Four of the leading agents in the West Virginia territory were referred to Mr. Hicks by the leading bankers and coal operators in his territory.

### Use of Direct Mail Told

A. A. Heald, general agent at Milwaukee, told of his use of the direct mail in obtaining new agents. Every Provident Mutual policyholder in Wisconsin was circularized at the time of the opening of the agency, and 82 percent of those circularized replied to the letters. The contacts thus formed were of incalculable help in establishing the Milwaukee agency as one of the fastest growing agencies in the organization.

## There Is No Substitute for Experience

THE FACT that the Central Life Assurance Society has been in existence for thirty-four years is not as significant as the fact that those thirty-four years have produced experience which today places Central Life in the front rank of progressive insurance companies. Central Life's rating of "Excellent" as to management, assets, reserves and mortality bespeaks this experience.

To men who can qualify as general agents, Central Life offers exceptionally attractive opportunities in the twenty-three states in which it operates. If you are interested, write T. C. Denny, President, giving complete details of your experience and record.

# Central Life Assurance Society

(MUTUAL)

T. C. DENNY, President

DES MOINES

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## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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## Member Audit Bureau of Circulations

### Scientifically Devised Pension Plan

LIFE insurance men were interested in the arrangement the METROPOLITAN LIFE worked out for the STANDARD OIL COMPANY of New York for retirement annuities and death benefits on a cooperative and contractual basis. If a plan like this can be put into effect it will do much to solve the very difficult problem of providing pensions and retirement funds. Many corporations and institutions have endeavored in the past to establish funds of this kind. Most of them were not scientifically worked out. They were operated on the hit or miss or pass the hat plan and when the demands became too great and the funds were exhausted the structure collapsed. This same unscientific principle has been demonstrated from time to time in the old fraternal and assessment companies which had inadequate rates and endeavored to defy the laws of mortality.

If the private insurance companies can in some way devise a workable formula for the construction of retirement annuities for corporations they will solve one of the vexing problems of the day. Just now state authorities and legislators have the unemployment situation to grapple with. It seems likely that many states may get into the business of having an unemployment insurance fund. It may be that the private companies can do something to assist in this direction. Certainly these demands should be met in a business-like, scientific way. A half baked scheme is worse than none at all. It is a problem that must be met.

### Confidence in Financial Statements

PRESIDENT H. A. BEHRENS of the CONTINENTAL CASUALTY in transmitting the year book of his company to stockholders and those interested makes the important observation that "in times of financial storm and stress nothing but knowledge of the facts breeds confidence."

Where agents, policyholders and the public in general believe that a company is not concealing anything that is detrimental to its well being, they can recom-

mend it with the knowledge that the facts are set forth. That class of companies after all is the only kind that merits confidence. Where there is an effort to bolster up by artificial means a financial exhibit the underpinning soon starts to disintegrate. Adequate reserves, well balanced investments, a truthful statement of facts will do much to elicit the confidence that is a big asset for insurance. In fact confidence is the real base of the life insurance structure.

### Need for Real Leadership

GREAT insurance leaders must act with captains in other prominent activities in attempting to solve the economic problems confronting not only our country but the entire world. There is need not only for political but industrial and social leadership. As was pointed out by speakers at the annual meeting of the ASSOCIATION OF LIFE INSURANCE PRESIDENTS, this is a machine and industrial age. We have mastered to a nicety the mechanism of production. There have been in evidence

in this field great leaders. We have failed in the mechanism of distribution. The economic curve has been too sharp, downward and upward. The great problem today is how to make lean years less lean. If we can keep the economic curve more level and reduce its angularities we will have accomplished much. Undoubtedly the insurance generals in all its departments will be needed in this day when the economic curve is sharply depressed. They can thus prove their worth.

## PERSONAL SIDE OF BUSINESS

M. J. Dorsey, head of the Keystone Holding Company, Security Life, and Inter-Southern, is reported to be resting at a place unknown except to his closest associates, after the strain which he has been under in negotiating for and financing the various Caldwell life insurance interests. In addition to the nervous strain, Mr. Dorsey suffered an injury to his back in a taxi-cab crash in New York.

H. C. Pennicke, manager of planning and personnel at the head office of the American Central Life, has been appointed a member of the advisory board of business men to cooperate in the modernization and improvement of Culver Military Academy's department of business education at Culver, Ind. Three of the five members are life insurance men, the others being Secretary F. L. Rowland, Lincoln National Life, and E. C. McDonald, assistant secretary Metropolitan Life.

Col. C. B. Robbins, president of the Cedar Rapids Life and head of the American Life Convention, has been elected vice-president of the Reserve Officers Training Corps Association. Colonel Robbins has been at Washington, D. C., for the last two weeks.

President J. A. Reynolds of the Detroit Life was guest of honor at a breakfast given by the Life Underwriters Association of New Orleans. He is well known as one of the originators of the life insurance trust idea. He was introduced by S. S. Levy, vice-president Insurance Securities Company, and spoke on the influence of insurance as a stabilizing force in times of depression. Among those present were Judge B. K. Elliott of Indianapolis, general counsel American Life Convention; E. G. Simmons, vice-president of the Pan-American Life, and F. Le Laurin, president Life Underwriters Association of Louisiana.

Julian Boehm, who is with the Atlanta office of the Union Central Life, besides being a leading producer of life insurance, is becoming well known as a magician. He frequently mystifies large local audiences with his tricks and mysteries. These performances are entirely in the behalf of some charitable organization. Mr. Boehm is chairman of the Atlanta Magicians Club and in this capacity is frequently in the limelight for some special performance.

Funeral services were held in Milwaukee last week for H. E. Janzer, 76, who was with the policy division of the Northwestern Mutual Life for 41 years before his retirement in 1924.

Dr. John M. Thomas, vice-president of the National Life of Vermont, was the speaker before the St. Paul Life Underwriters Association last week. He was 10 years a member of the board of the National Life before being elected vice-president.

As a preliminary to intensive agency development work in the southern territory, H. L. Walker, vice-president and agency director of the Detroit Life, recently completed a ten days' trip through the southern states. Immediately upon his return to Detroit, Dr. H. A. Carstens, medical director, and A. T. Lehman, actuary, started over the same ground.

Earl Eide, general agent for Prudential at St. Paul, will conduct a school for new men in his agency starting Feb. 16 and continuing for two weeks. There will be about 75 attending. His agency was tenth in the United States last year.

M. E. Singleton, capitalist and former president Missouri State Life, has been

appointed colonel of ordnance, United States army reserve corps. Mr. Singleton was made chief of the St. Louis ordnance district in July, 1918, and has continued in that capacity since the World War. He was the only civilian of Missouri to be awarded the distinguished service medal during the war.

Ray Yenter, Iowa insurance commissioner, has been elected president of the Federal Surety and will resign as commissioner in a few weeks to take that post. It is announced that the home office of the company will be retained at Davenport, Ia., instead of being moved to New York.

Miley Phipps, director of education of the Continental Assurance of Chicago, is on a western trip conducting a series of small regional meetings at Denver, Seattle, Salt Lake City, San Francisco and Los Angeles.

President G. E. Lackey of the National Association of Life Underwriters will take part in a sort of Valentine Day homecoming Feb. 14 at Louisville on his swing around the circuit from Oklahoma City. He began his insurance career in Louisville. Before returning home he will visit relatives in western Kentucky.

J. W. A. Staudt of Canton, O., state manager of the Royal Union Life of Des Moines, on Sunday will celebrate his 33rd anniversary with the company. He is one of the veterans of the organization. In his honor the Ohio agencies have undertaken an intensive program of production this year.

The fact is brought out in an intimate sketch of C. F. Williams, recently elected president of the Western & Southern Life, that he carries over \$2,250,000 life insurance, thus being one of the most heavily insured persons in the west.

President Williams has gone on a sojourn in Miami, Fla. C. P. Johnson, vice-president, left Monday for a vacation in Phoenix, Ariz.

A. A. Zahka, Boston general agent of the United Life & Accident, was found dead of carbon monoxide poisoning in a car in his garage. The medical examiner declared he had been dead in the car for three days. Mr. Zahka disappeared after having paid a visit to the home office of the company. He became assistant to G. H. Tracy, general agent in Boston, five years ago and on Mr. Tracy's change last May was made general agent.

Bee Barclay, 50, head of the underwriting and actuarial departments of the Stonewall Life, died suddenly at Vicksburg, Miss.

P. G. Cosby, III., son of P. G. Cosby, Jr., of Lynchburg, Va., premier producer for the E. H. Perkins general agency of the Provident Mutual Life at Richmond, has been awarded a \$100 annual scholarship by the New York office of the Boy Scouts in recognition of his merit as an Eagle scout in scholarship and the points emphasized by scouting standards.

J. A. McKay, general agent in northern New Jersey of the Bankers' National Life of Jersey City, is enjoying a southern vacation after a strenuous season in his territory. He is at present in Augusta, Ga.

Lloyd T. Binford, president of the Columbian Mutual Life, Memphis, Tenn., is now recovering from an operation recently performed in a Memphis hospital and will soon resume his duties.



## LIFE AGENCY CHANGES

### Sleeper Takes Over Virginia

**Aetna Life's Washington Office Expands Its Territory — Richmond General Agency Firm Is Dissolved**

J. K. Dunlop and C. B. Myers, who have been representing the Aetna Life as general agents for Virginia for the past seven years under the firm name of Dunlop & Myers with Richmond headquarters are dissolving the partnership as of March 1. Mr. Dunlop plans to enter personal production in Richmond. Mr. Myers will remain with the Aetna in that city in a supervisory capacity under P. D. Sleeper, general agent in Washington, D. C., whose territory will be extended to include Virginia.

Both Mr. Dunlop and Mr. Myers were with the Richmond agency of the Provident Mutual Life before becoming general agents for the Aetna. Mr. Sleeper has been general agent in Washington for the past four years. He was previously assistant superintendent of agencies for the Atlantic Life under W. H. Dallas, superintendent of agencies, who is now vice-president of the Aetna.

### Dallwig Associate Manager of E. B. Thurman Agency

P. G. Dallwig, well known life underwriter in Chicago, has been appointed associate manager in the E. B. Thurman general agency of the New England Mutual Life in Chicago, at One La Salle street. Mr. Dallwig has been in the life insurance business for nine years in Chicago, six years with the Massachusetts Mutual and the last three with the Union Central. In this time Mr. Dallwig has always had a very creditable personal production record. He knows the life insurance business. Mr. Dallwig is also the originator of the famous Dallwig Record, which has come to be known as one of the outstanding life insurance record sheets in the country.

#### E. H. Sellstrom

E. H. Sellstrom, who has for several years been connected with the Chicago office of the Mutual Benefit Health & Accident and its associate company, the United Benefit Life, both of Omaha, has been appointed district manager for east central Illinois with offices at Mattoon, Ill.

#### H. H. Harrison

The Union Central Life has opened a branch agency in Austin, Tex., with H. H. Harrison as manager. With him will be associated E. B. Kuehne, former agency manager of the Volunteer State Life.

#### Collins-Winchell Agency

Formation of the Collins-Winchell Agency of Denver is announced by W. H. Collins and J. H. Winchell, both former representatives of the Equitable Life of New York. The new agency will represent the Columbus Mutual in Colorado and Wyoming.

#### D. A. Johnson

The Provident Life & Accident has appointed D. A. Johnson of Detroit general agent for both life and accident and health. Mr. Johnson has been in the insurance business for 32 years and has conducted a general insurance business with great success.

#### C. D. Pratt

C. D. Pratt, for 31 years prominent in Kalamazoo banking circles and recently an assistant cashier of the Bank

of Kalamazoo, will take charge of the agency there for the Massachusetts Mutual Life, which is opening new offices at 617 Bank of Kalamazoo building.

#### H. F. Sleeper

Western States Life has appointed H. F. Sleeper, formerly with the Reliance Life in San Francisco and recently in the investment business, agency manager of the home office agency. He replaces M. F. Branch, who has been named representative in southern California for group insurance activities, with headquarters at Los Angeles.

Mr. Sleeper was with the Reliance Life for 13 years, during which time he established one of the strongest agencies in northern California.

### Life Agency Notes

**J. S. Fournier**, Wylam, Ala., has been designated as state agent for United Mutual Life of Indianapolis, which has been licensed in Alabama.

**H. T. Scott**, formerly assistant superintendent of the Prudential in Portland, Ore., No. 1, has been named superintendent at Tacoma, Wash.

**J. S. Logan** of Los Angeles has resigned as supervisor of the California agency for the State Life of Indiana to become district manager in charge of the Hollywood office of the Lincoln National Life.

**J. T. Moore** of the Columbus, O., South district of the Western & Southern Life has been appointed deputy superintendent of that district. **A. P. Kelly** has been promoted to superintendent of the Chillicothe, O., district. He was presented with a wrist watch by his former associates in the Norwood, O., district.

The Mutual Life has appointed **F. B. Fisher** district manager at Montgomery, Ala. He was formerly associate manager. Prior to going with Mutual Life he was an agent for All-States Life of Montgomery. For 20 years he served as sales manager for a wholesale packing house in Atlanta.

**George Calkins** of Kansas City Mo., formerly a personal producer for the National Fidelity Life and more recently general agent for the expansion contract of the Surety Life, has resigned as general agent for the Surety and has returned to personal production, joining the New England Mutual.

### Analysis Shows Trend Is Toward Investment Form

More than half of the new business written last year by the Bankers Life of Des Moines was on the limited payment life plans, including life paid up at ages 65 and 70.

The life paid up at 65 plan continues to rank as the most popular policy form. In 1930, 24.9 per cent of the new business was written on this plan. The life paid up at age 70 plan ranked second during the year, 19.6 per cent of the year's business being on this form.

A distinct trend away from the cheaper plans of life insurance protection was noted during the year, while the growing tendency on the part of the public to regard a life policy as a valuable piece of property and a worthwhile investment was indicated by the popularity of the life retirement policy, which was brought out May 1, and which constituted 3.1 per cent of the year's business.

Analysis of the business for the year brings out, also, the interesting fact that more than \$1,000,000 was written on the single premium plan.

# Carramba!



*The thwarted gentleman to the left is none other than our old friend the twister. He has just learned that a nice case which he promoted had as its intended victim a Union Central policyholder. Imagine his perturbation; wisely he contemplates entering new racketeering fields, far from the realm of Life Insurance.*

**SO IT GOES;** what one builds up another attempts to destroy. But in this instance El Twistero picked the wrong party. The policyholder listened to his story, then called in the man to whom he always turns when estate matters arise—the Union Central Life Underwriter. A few moments of explanation revealed the fallacies in the twister's arguments and the insured was satisfied.

It is such work that gives pleasure to the underwriter. He knows that he has performed a definite service for his client and can see tangible results accrued from his help: Last year almost half of The Union Central's new business was purchased by old policyholders—satisfied customers who, far from dropping any present protection, came back to the same company for more.

Where such a tremendous structure of policyholder confidence exists, is it any wonder that the twister's arguments meet defeat?

**Over One and One-Half Billions in Force**

**The Union Central Life Insurance Company**  
of Cincinnati

## GENERAL AGENTS DISTRICT AGENTS AGENTS

WILL FIND OPPORTUNITY IN

### COLORADO OHIO MINNESOTA

with this strong old line legal reserve company that is aggressively developing the above territory.

Back of the Guaranty Life is found the very elements of permanency and progressive development. It will pay you to tie to a company that is growing.

Full information regarding the above agency connections can be obtained from Lee J. Dougherty, President.

## Guaranty Life Insurance Company

Davenport, Iowa

### SUMMARY

of the

### FINANCIAL STATEMENT

For Year 1930

Insurance in Force.....	\$178,691,926.00
New Paid Business.....	36,043,542.00
Gain in Insurance in Force.....	12,621,948.00
Total Assets .....	28,649,161.67
Gain Over 1929.....	2,844,704.51
Total Income for 1930.....	7,778,840.89
Surplus and Contingency Reserves.....	1,404,689.30
Gain Over 1929.....	161,169.23
Ratio of Actual to Expected Mortality .....	42.6%

## Mutual Trust LIFE INSURANCE COMPANY

Edwin A. Olson, President

CHICAGO

ILLINOIS

"As Faithful as

OLD FAITHFUL"



## EASTERN STATES ACTIVITIES

### Urges No Higher Tax Rate

Commissioner Lawson of West Virginia  
Comments on the Need for  
Larger Appropriation

Commissioner Lawson of West Virginia in his biennial report declares it would be unwise to increase the present 2 percent tax on gross premiums of companies operating in that state. He declares that the rate is already higher than in the majority of states. The average tax on premiums for all states averages 1.69 percent. He said that any additional increase would mean a tax on thrift and would fall on the public.

The appropriation for the insurance department is \$16,000. Commissioner Lawson says this is grossly inadequate and the department is handicapped for lack of sufficient funds to carry on the work and properly protect the public. He appeals for an increase. He also asks that the department be provided with an attorney to handle all its cases as well as the arson cases of the state fire marshal. He said the amount of money now paid for special attorneys would more than pay the yearly salary of a full-time attorney attached to the department. He said that if the department is given sufficient funds to employ necessary, competent and additional assistants, "the revenue to the state will be substantially increased, the service to the public will be greater and the department will function properly."

The legal action taken against the fire companies composing the West Virginia Uniformity Association, he said, has been decided by the United States circuit court of appeals in favor of the state. The charges filed and the case tried against a leading life agent led to the revocation of his license. An appeal was taken to the supreme court of the state which sustained the department. The results of these suits, declares Commissioner Lawson, have strengthened the supervisory powers of the insurance commissioner and there is assurance that the public will be protected.

### Presidents' Endorsements in Insurance Trust Bulletin

NEW YORK, Feb. 12.—An insurance trust bulletin just issued by the American Bankers Association's trust company division contains the statements of 27 presidents of life insurance companies, endorsing the life insurance trust. This is seen as an outstanding development marking the close cooperation existing between trust companies and insurance companies.

Commenting on this development G. T. Stephenson, president of the division, says that "the truly astonishing growth in the development of the life insurance trust during the past decade has been due in large measure to the active and public spirited support of the great life insurance companies of America."

The bulletin contains matter of value to trust companies and trust departments of banks in the handling of insurance trusts, such as a chart showing the requirements of various life insurance companies with regard to changes in insurance trusts. Also a recommended standard form for an abstract of a trust agreement will facilitate trust departments to work efficiently and smoothly with insurance companies.

### To Give Life Course

Arrangements have been made by the Newark Life Underwriters Association for a life insurance course with the cooperation of the Seth Boyden School in Newark, which will be held on Friday

evenings starting Feb. 13. The course will be under the supervision of H. H. Wilson of the Equitable Life, instructor in the life insurance training course at the University, and will be similar to the one now being given at the university. It will prepare students for the C. L. U. examination.

### Mutual Benefit Conference

BALTIMORE, Feb. 12.—The Baltimore agency of the Mutual Benefit Life just held its annual conference Feb. 9. The Washington, D. C., agency staff attended as guests. L. A. Spalding, general agent at Baltimore, was in charge of the meeting and H. L. Choate, general agent at Washington, was the speaker. Several home office officials attended.

### Will Change to Branch Office

Following the death of A. A. Zahka, general agent of the United States Life & Accident at Boston, the company has decided to change its Boston office from a general agency to a branch office, in charge of a branch manager who will be appointed later. Lawrence D. Kimball, assistant superintendent of agencies, is now in charge of the office.

### Boyce Agency a Leader

The W. L. Boyce agency of the Equitable Life of New York at Syracuse paid for \$30,440,000 in January, ranking second in the country. It surpassed its achievement of January a year ago.

### Bass Leads Entire Field

H. T. Bass of the Allen, Russell & Allen agency of the Connecticut General, Hartford, led all agents in new paid premiums last year. He has been on the company's honor roll for ten years and has ranged among the first five agents in paid business each year in that time. The agency had the largest production in its history last year, both in new paid premiums which, figured on the honor roll basis, showed a gain of 34 percent over the best previous year, and in amount of life insurance paid for.

General Agent T. W. Russell says each man had an individual gain over the preceding year.

### Woods Company Sets New Record

The Edward A. Woods Company of Pittsburgh established a record for new business in January with 1,201 applications for \$8,463,509. This exceeds the previous record made in January, 1929, of 1,138 applications for \$7,181,698.

### Proposed as Director for U. S. Chamber of Commerce

George D. Markham of St. Louis, well known local agent and member of the firm of W. H. Markham & Co., one of the founders of the National Association of Insurance Agents and its third president, has been proposed by petition for nomination to membership on the board of directors of the United States Chamber of Commerce. Mr. Markham is prominent in civic and social affairs in his city. He served as counselor of the national chamber for seven years and has been vice-president of the St. Louis chamber of commerce. Vice-President C. W. Gold of the Jefferson Standard Life is a director.

### Rupert With Surety Life

L. G. Rupert, agency director American Reserve Life of Omaha, since it was founded about five years ago, will assume charge of the agency work for the Surety Life, succeeding Minor Morton, resigned.



## CENTRAL WESTERN STATES

### Take Up Qualification Bill

Joint Conference of Fire, Life and Casualty Men to Be Held in Lansing Probably on Feb. 19

DETROIT, Feb. 12—Michigan life underwriters, fire and casualty agents and accident and health men plan to hold a joint conference in Lansing, tentatively set for Feb. 19, to discuss the agents' qualifications bill to be introduced in the legislature with the approval of Commissioner Livingston, who has expressed a desire to be present at the conference.

Plans have been made for appointment of committees of five each from the Michigan Association of Life Underwriters, the Michigan Association of Insurance Agents and the Accident & Health Managers' Club of Detroit. President R. T. Smith of the latter club appointed J. P. Collins, National Casualty; George Brown, Continental Casualty; J. J. Donahue, Mutual Benefit H. & A.; R. H. McKinnon, Michigan Life, and W. J. Roeser, General Accident.

It is understood that as far as the department is concerned the main point in amending the present code is to give the commissioner wider powers in examining applicants for agents' licenses. Commissioner Livingston feels that written examinations should be held periodically in various parts of the state.

### False Representation Charged

The Pacific Mutual Life has brought suit in the United States district court at Cincinnati against Dr. F. H. Lamb for recovery of \$8,400 less premiums totaling \$1,198 already paid. It is alleged that Dr. Lamb made false representations concerning the state of his health and family history and that he obtained from the Pacific Mutual disability payments totaling \$8,400. It is alleged that disability payments of \$300 a month had been made by the company from March, 1928, until October, 1930, when the company discovered that alleged false statements had been made.

### Reliance Life Prospers

The Illinois department of the Reliance Life, 100 North La Salle street, Manager T. F. Lawrence says, since the first of the year has been experiencing a business revival in spite of business depression. Mr. Lawrence's agents have been presenting the advantage of life insurance as property and as an investment along lines suggested by the Diamond Life Bulletins. The department, Mr. Lawrence says, had over 100 sales in January for an increase of 200 percent over December, 1930, and 100 percent over January, 1930, a previous record month. Since V. M. Burke, formerly of the Patterson agency of the Penn Mutual, went with the Reliance Life as assistant manager Illinois department, the organization has been growing fast and several big producers have joined the agency. The first luncheon meeting of the new "Leaders Club" in the agency was held Monday. J. F. Richter is president of the club.

### Peters Made Detroit Manager

J. A. Peters has been appointed resident manager of THE NATIONAL UNDERWRITER at Detroit and has established headquarters at 1015 Transportation building, telephone Randolph 3994. Mr. Peters was for several years in the advertising department of THE NATIONAL UNDERWRITER at its Chicago office, and for the past year has traveled in various parts of the middle west. In his new position he succeeds O. M. Koenig, who recently resigned to go into the life insurance business at Cincinnati.

### Incontestable Period Ruling

Gambling Contract Defense After Two Years Disallowed by Michigan Supreme Court

The Michigan supreme court has refused the Great West Life permission to contest payment under a policy, after the incontestable period, on the theory that the policy was a gambling contract against public policy. The case was styled Bogacki vs. Great West Life, appellee, and Elson, appellant.

The policy was issued on the life of Bogacki and made payable to Charles Olson as "co-partner." At the death of the insured more than two years later, his administratrix filed a bill to obtain the insurance proceeds, naming the insurance company and the beneficiary as defendants.

The Great West Life alleged the assured had been under guardianship as a spendthrift and could not make a lawful contract for life insurance, that no partnership relation existed at any time between him and Elson, that the latter was the moving party and paid the premium and that he did not have an insurable interest in the life of Bogacki. The insurer contended that the incontestable clause did not bar this defense but the court pointed out that the statute excludes the exception of which the company attempted to avail itself.

### Taylor Visits Waddell Agency

C. E. Waddell, Detroit manager Missouri State Life, held a luncheon for the members of his organization last week in honor of President Hillsman Taylor and C. O. Shepherd, vice-president and actuary, who spoke. Mr. Taylor gave a very inspirational talk and outlined the company's aggressive plans for 1931. The Detroit branch is having a drive in honor of Vice-president J. J. Moriarty in February.

### Protest Wisconsin Tax Increase

MADISON, WIS., Feb. 12.—Wisconsin life companies are now paying much higher taxes than their competitors from outside the state. M. J. Cleary, vice-president of the Northwestern Mutual Life, told a senate committee at a hearing on the bill to boost life insurance taxes from 3¼ to 3½ percent.

"Domestic companies in Wisconsin are now paying in taxes from three to eight times as much as similar companies in other states," Mr. Cleary said. "They are paying three times as much taxes as their foreign competitors operating in Wisconsin are required to pay."

"The Northwestern Mutual paid \$600,000 in taxes to the state last year. If it had been assessed as are foreign competitors, it would have paid about \$141,000. I feel that the state should be concerned in the welfare of its smaller life insurance companies and not burden them with more taxes."

### Bokum & Dingle Do Well

The Bokum & Dingle general agency of the Massachusetts Mutual started off the year well with \$1,600,000 paid business in January. The office paid for \$15,000,000 last year but has set a figure considerably higher than that for the 1931 quota.

### Carried Large Policies

L. M. Thiermann, Milwaukee insurance and real estate man, who died after a fall from the eighth floor of a Milwaukee building, carried between \$600,000 and \$700,000 life insurance and a \$100,000 policy of which his firm was the beneficiary.

## CEDAR RAPIDS LIFE INSURANCE COMPANY

CEDAR RAPIDS, IOWA

As Good and Strong as the Strongest

Financial Condition, December 31, 1930

Assets	
First Mortgage Loans and Real Estate.....	\$2,582,109.09
Bonds .....	522,362.94
Premium Notes and Policy Loans .....	862,940.41
Cash in Banks and Office .....	26,274.78
Other Ledger Assets....	14,407.21
Interest Accrued .....	66,655.67
Net Uncollected and Deferred Premiums .....	82,132.07
(Reserve Charged in Liabilities)	
Gross Assets .....	\$4,156,882.17
Less Assets not Covered by Reserve.....	15,975.28
Net Assets .....	\$4,140,906.89

HOW WE ARE GROWING

END OF	INSURANCE IN FORCE	END OF	GROSS ASSETS	PREMIUM INCOME
1906	\$95,000.00	1906	\$43,278.91	\$3,289.00
1909	\$1,906,065.00	1909	\$194,829.60	\$68,176.55
1912	\$3,004,245.00	1912	\$237,351.38	\$93,943.00
1915	\$5,114,236.00	1915	\$451,142.07	\$150,003.77
1918	\$7,700,619.00	1918	\$790,890.90	\$227,716.00
1921	\$14,010,604.00	1921	\$1,488,411.12	\$399,849.00
1924	\$16,544,009.00	1924	\$2,336,132.81	\$480,172.05
1926	\$19,176,772.00	1926	\$3,008,187.45	\$573,181.77
1928	\$21,681,009.00	1928	\$3,605,910.10	\$610,122.15
1930	\$24,042,273.00	1930	\$4,156,882.17	\$658,520.00

C. B. ROBBINS, President

JAY G. SIGMUND, Vice President and Agency Director

C. B. SVOBODA, Secretary

A Good Western Company

## SERIES No. 6

regarding the conservation and reclamation of life insurance

MR. LIFE INSURANCE EXECUTIVE:

Think of the future!

INSURANCE companies with executives of clear eyes and sound vision enabling them to see a few years ahead will be the headliners tomorrow.

Who wishes to listen to the calamity howler and those continually talking about the past two years' depression? There is always good business after a depression. Success always comes to those who work for it. The man who talks hard times will wonder what happened to his financial structure and there will be no one to blame but himself. The aggressive man who adopts constructive measures will safely weather the depression and be in a secured position after it ends.

Depression makes lapsation a big problem among companies. DeBarry & Associates, Inc., devote their time to salvaging, conserving, saving, impaired business and writing additional new business for your company. Many unsolicited complimentary letters is ample proof that our work is well appreciated by companies.

The De Barry method of conservation and reclamation is different than any other plan. It's just this difference that we want to explain to you because we know we can help you with your present lapsation problems.

## DEBARRY & ASSOCIATES, INC.

INSURANCE COUNSELORS

222 WEST ADAMS STREET, CHICAGO, ILL.



**EQUITABLE  
LIFE OF IOWA**

**BY ANY STANDARD  
OF COMPARISON AN  
OUTSTANDING LIFE  
INSURANCE COMPANY.**

**FOUNDED 1867  
HOME OFFICE DES MOINES**

Come to the

## GREAT REPUBLIC LIFE

and Double Your Production by  
Writing Its Wonderful New

### Select Risk Life Expectancy Policy

Guaranteed Low Cost with many attractive features, including Disability, Double Indemnity, Loss of Members and Beneficiary Insurance.

Maximum Protection for Minimum Deposit. Full coverage for the active years of life with extremely liberal conversion privileges.

Liberal first year and renewal commissions paid to experienced life underwriters.

For full information concerning an agency connection communicate with

W. H. SAVAGE, Vice-President  
1300 Great Republic Life Building  
LOS ANGELES, CALIF.

## IN THE MISSOURI VALLEY

### Construes Disability Form

**Iowa Supreme Court Passes on the  
Provisions of Clause Used  
by Continental Life**

The Iowa supreme court in Kurth vs. Continental Life passes on the construction of total and permanent disability clause. The clause read: "If the assured shall furnish satisfactory proof that he has been wholly disabled by bodily injury or disease for a period of not less than 60 days and the effect of this disability is presumably permanent and that he will be wholly and continuously prevented thereby from pursuing any gainful occupation the company will grant the following benefits": The court held that the contingency insured against may be clarified in this manner: If the insured has been wholly disabled (a) for a period of not less than 60 days, and (b) such disability as has existed for not less than 60 days is presumably permanent, and (c) that the insured will be wholly and continuously prevented by the disability that has existed for a period of not less than 60 days and which disability is presumably permanent, from pursuing any gainful occupation. It would thus appear that these three separate factors were combined and that upon the combination only are the benefits to accrue. Further, by the phrase "prevented thereby from pursuing any gainful occupation," inserted upon the volition of the company and not at the request of the appellee, it was never intended that the insured be rendered absolutely helpless and continue to be absolutely helpless before becoming entitled to the benefits promised. The appellee sustained

the burden of proof which rested upon him on the issues of this case. Decree for plaintiff affirmed.

### Fight Missouri Tax Change

Insurance interests of Missouri have joined with other business men in vigorously opposing bills pending in the legislature to increase the state income tax from 1 per cent to 2½ percent for corporations and from 1½ percent to 5 percent for individuals. The bills have the support of the Missouri survey commission.

Domestic insurance companies of Missouri have heretofore been subject to the state income tax but foreign companies were exempt. The bills remove the exemption in favor of companies paying a premium tax and provide that such companies must pay the income tax if it would be larger in amount than the premium tax.

### Hold School at Sioux City

A two-day regional school for agents of the Equitable Life of Iowa opened Feb. 11 at Sioux City with 100 attending. A series of lectures by Dr. C. J. Rockwell occupied the first day and the second day's program was led by H. E. Aldrich, vice-president and superintendent of agents; E. E. Smith, educational director, and Ray Fuller, field superintendent. G. U. Silzer, Sioux City manager, assisted in arranging the program.

### Thomas in Minneapolis

The investment value of life insurance was stressed by Dr. J. M. Thomas, vice-president National Life of Vermont, in an address in Minneapolis to the Paul Stewart general agency.

## IN THE SOUTH AND SOUTHWEST

### Huebner Speaks in Florida

**Well Known Educator Gave Talks at  
Tampa, Jacksonville, Miami and  
Ft. Myers**

Dr. S. S. Huebner of the University of Pennsylvania spoke before the members of the life underwriters' associations at Jacksonville, Tampa and Miami, Fla., last week. Elbert Storer of Indianapolis, manager of the Bankers Life of Indianapolis and vice-president of the National Association of Life Underwriters, joined Dr. Huebner at Miami and spoke from the same platform. At Jacksonville the arrangements were made by Vic Beamer, Equitable Life; S. F. Gammon, Mutual Life of New York; C. H. Royalty, Union Central, and A. L. Johnson of the Sun Life. At Miami, the arrangements were made by C. W. Quinn, Sun Life; Jos. Lipnitz, Aetna Life; D. F. Marshall, Prudential, and D. S. Dorman, Metropolitan. At Fort Myers, Dr. Huebner also gave a talk at a luncheon arranged by R. L. Newman, Sr., of the Sun Life. At Tampa, the arrangements were made by Reed Dearing, Mutual Life of New York, and M. R. Williams of the Metropolitan.

### New Memphis General Agency

Including fire and life insurance departments, J. E. Vinsohn-Wade, Inc., has been organized at Memphis, Tenn., with these officers: J. E. Vinsohn, president; H. P. Wade and W. V. Fant, vice-presidents; C. E. McFarland, treasurer. W. A. Brown, for ten years a member of the firm of Halliburton & Brown, has joined the company as a director and supervisor of agencies in Mississippi. C. W. Henry, formerly

with H. P. Wade & Co., will supervise northeastern Arkansas agencies.

### Cutrer Led the Field

T. H. Cutrer, who became general agent of the Lamar Life in New Orleans last December, led the force in new business during January. He is a native of New Orleans and for some years has been located in the life insurance business at Jackson, Miss.

## News of Pacific Coast States

### Mutual Trust's Connections

**Two General Agency Appointments  
Made With Seeley & Co. at  
San Francisco and Seattle**

Two Pacific Coast general agency connections are announced by the Mutual Trust Life of Chicago, whose Pacific Coast manager is Gilbert Knudtson.

Seeley & Co., one of the largest financial and insurance institutions on the coast, with offices at several major points and also in Canada, are now representing that company as general agents both at Seattle and at San Francisco.

L. L. Fenton, formerly general agent for the Mutual Trust at Seattle, becomes manager of the life department of the Seattle office of Seeley & Co. The Mutual Trust will also maintain its own office at Seattle in charge of R. C. Rodruck, agency supervisor.

The San Francisco Seeley & Co. gen-



eral agency takes exclusive charge of northern California for the Mutual Trust with H. O. Finch in charge as manager of the life department. Mr. Finch is a graduate of the Carnegie Tech life insurance school.

### Musser Now General Agent

Given San Diego, Cal., Post by Oregon Mutual After Resignation of C. R. Hope

R. H. Musser has been appointed general agent of the Oregon Mutual Life at San Diego, Cal., replacing C. R. Hope, who resigned on account of ill health. Mr. Musser is well known, being president of the Southern Idaho Life Underwriters Association at Twin Falls, where he has made his home for several years. He has been a member of the Oregon Mutual's field force since March, 1921, having been a member of the Gold Medal Club nine consecutive times, and a member of the company's Millionaires Club, Century Club, Thrift Club and Builders' Club. He was appointed agency supervisor last year for the eastern Oregon and southern Idaho agency.

### Union States Life's Stunt

Popular Radio Broadcasting Feature Is Arranged Over KOIN Station at Portland, Oregon

The Union States Life of Portland, Ore., has staged a radio program that is attracting wide attention. It uses "The Westerners," Andy and Virginia, who appear every day except Sunday and Monday with a continuous story full of thrills and western sparkle over station KOIN. The "Monday Evening Musical Review of the Westerners" is used in connection with the radio presentation. It is known as the "Westerner." Thousands have written in for a copy. The program smacks of the great northwest. The Union States Life appreciates the opportunities of its section. The company enlisted the services of Edmund C. Bechtold and associates of Portland, an advertising agency that has had wide experience in dramatizing publicity. Every once in a while President W. E. Hibbard of the Union States Life gives a talk, making his observations colorful and gripping. They show the actual adventurous life which insurance has led in the past, how it has been developed into efficient modern forms and the fundamental service it can render today.

### Unemployment Bill for the California Legislature

SAN FRANCISCO, Feb. 12.—A bill providing \$14 a week for unemployed married workers, with an additional dollar for each member of the family will be introduced before this session of the California state legislature by Assemblyman Hornblower on behalf of the California State Federation of Labor, according to Paul Scharrenberg, secretary of the State Federation.

The bill will direct that the insurance funds be provided by joint payment from employers and employees. It is stated that the labor interests will demand the passage of the bill.

### Wood With Union Mutual

J. H. Wood, has been named manager in northern California for the Union Mutual Life of Portland, Me. The agency in San Francisco is located in 2412 Russ building.

Mr. Wood returned after the war to complete his requirements at the University of Washington. He immediately entered the wholesale hardware business on the coast and later the service of the Northern Life, receiving a

grounding in the fundamentals of the business at its home office.

He went to San Francisco for that company as cashier. As time went on he became interested in production and the securing and training of agents which prompted him to take the extension course on life insurance at the University of California, preparatory to taking the examinations which he passed to secure the C.L.U. degree.

### Lincoln National Conference

SAN FRANCISCO, Feb. 12.—A sectional conference of the western division of the Lincoln National Life will be held here on March 16-18, which will be attended by W. T. Shepard, vice-president; A. L. Dern, manager of agencies; Dr. W. E. Thornton, medical director; W. T. Plogstroth, assistant superintendent of agencies, and J. J. Klingenberg, auditor. The principal speaker will be Dr. Chas. J. Rockwell, who will conduct a discussion devoted to various phases of life insurance salesmanship and the attainment of increased efficiency by the men in the field. The western division embraces California, Oregon, Washington, Utah, Arizona and Montana.

### Olsen Is Transferred

Norman Olsen has been appointed agency supervisor by the Continental Assurance in the California agency headed by Clayton Teasdale, vice-president of the company in charge of Pacific Coast operations. Mr. Olsen has been field supervisor of the Security general agency of the company at Milwaukee and formerly was with the Travelers. He desired to make a change as his home is in the west.

### Shapiro Gets Two Cups

An outstanding feature of the four-day conference of home office officials of the Penn Mutual Life with general agents and managers from San Francisco, Oakland and Sacramento was the presentation of the William A. Law cup and the Hugh D. Hart cup by Vice-president Hart to Ben F. Shapiro, San Francisco general agent. Mr. Hart was accompanied by V. B. Coffin, director of education; J. B. Webster, manager conservation department; Wallis Boileau, Jr., and Osborne Bethea, assistants to the vice-president, and L. S. Morrison of the Life Insurance Sales Research Bureau.

### Spokane Territory Enlarged

The Spokane agency of the Mutual Life New York under Manager P. L. Cochran now includes all that part of Washington lying east of the Cascade range. A recent survey of the state decided that Walla Walla, Yakima, Wenatchee and adjacent territory belong with the Spokane area. A new district office will be created in eastern Montana. That part of Montana lying west of the Rocky Mountains has been permanently assigned to the Spokane agency.

R. H. Loveless has been appointed agency organizer for the Spokane branch.

### Will Establish Denver Agency

J. W. Pearson of San Francisco, superintendent of agencies of the Western States Life, was a Denver visitor last week. He expects to establish an agency there for his company.

### Oregon Mutual Doing Well

The Oregon Mutual maintains its 1930 dividend schedule, and its interest rate of 4.8 percent for 1931. The annual policyholders' meeting was held and directors showed increases in business in force, assets, reserves and surplus accounts. President C. F. Adams' report showed \$8,669,880 life insurance issued, a gain of \$2,814,502; \$58,016,208 in force Dec. 31; death losses \$345,482, or 51.6 percent of the expected. Sur-

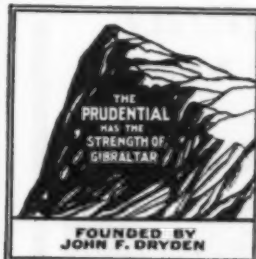
## For Policyholders— \$86,299,000

Dividends to the following amount have been allotted out of the year's savings by The Prudential.

For Ordinary Policies—  
\$32,733,000

For Industrial Policies—  
\$53,566,000

And once more The Prudential has allotted Industrial Dividends never equalled by ANY company in ANY part of the world.



**The Prudential**  
Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

## SERVICE LIFE INSURANCE COMPANY

Exceedingly liberal contracts are offered to reputable and responsible agents. An unusual agency proposition is extended in districts where the company is not now represented.

For information write  
B. R. BAYS, President  
JOHN L. OESCHGER,  
Secretary-Treasurer

Home Office: LINCOLN, NEBRASKA

## TIME OUT FOR CONFERENCES

North, South, East and West. One in each section. Just finished. Three days each. Executive leadership and participation.

**First Day:**—Review of recruiting, training, and supervising; demonstrations, experience results, new features.

**Second Day:**—Analysis of General Agency finance, with graphs and verbal charts; exposition and round-table discussion.

**Third Day:**—Presentation of new Director of Conservation and of new conservation plans.

These General Agents' Conferences, with their three main subjects, were projected as Home Office helps to our General Agents. They gave to our Agencies profitable material, obtained by Agency Department research, which few of our agency managers could obtain for themselves. PENN MUTUAL representatives are persistently receiving Home Office cooperation of the most useably practical kind. These Conferences are an example.

WM. A. LAW, *President*

Wm. H. Kingsley, *Vice President*      Hugh D. Hart, *Vice President*

J. V. E. Westfall, *Vice President*

**THE PENN MUTUAL LIFE INSURANCE CO.**  
PHILADELPHIA

Independence Square

Founded 1847

### HELPFUL

**Home Office Contact**  
**EVERY WEEK IN THE YEAR**  
*through*  
**A REAL AGENCY PAPER!**



*Especially prepared for the exclusive use of representatives of the*

**AMERICAN CENTRAL**  
**LIFE INSURANCE COMPANY**  
INDIANAPOLIS

**"Guaranteed Benefits"**

HERBERT M. WOOLLEN  
*President*

**"Guaranteed Low Cost"**

plus to policyholders increased from \$738,140 in 1929 to \$767,458 Dec. 31, 1930, of which \$175,000 was set aside as contingency reserve and \$592,458 is unallocated. Admitted assets are \$10,442,060, a gain of \$940,898. Attention was called to the adoption of a new policy known as the "Homekeeper." The company is celebrating its "Silver Jubilee" anniversary.

#### Request Made of Life Companies

LOS ANGELES, Feb. 12.—The Los Angeles fire insurance exchange is requesting life companies making loans in this vicinity to refrain from appointing loan agents who are also insurance brokers or agents of fire companies, insisting any agent acting in such dual capacity shall not coerce or solicit insurance in connection with loans but shall accept policies tendered by borrower when in sufficient amounts, proper form and reputable companies.

#### Colorado Companies Organize

DENVER, Feb. 12.—The Association of Colorado Life Insurance Companies has been formed here with B. M. Stack-

house, president of the Farmers Life, as president.

Other officers are Ivan Simonton, Bankers Union Life, vice-president; and J. W. Sherman, Gibraltar Life & Accident, secretary. The executive committee includes W. H. Watlington, Colorado Life; R. D. Stagle, Continental National Life; Mr. Stackhouse, W. L. Vernon, Pacific States Life, and S. Lester Guinn, Gibraltar Life & Accident.

#### Gummere Is Agency Supervisor

C. A. Gummere has been agency supervisor for M. M. Waddle & Son, home office general agents for the Great Republic Life, in charge of securing, educating and training new agents. Mr. Gummere was instructor in insurance salesmanship at the University of Southern California for several years and also had experience as a general agent in the middle west.

Harold G. Leslie, manager at Los Angeles for the Northwestern National Life, was third in the entire field of his company in leadership for January in volume of personal production of paid for new insurance, his total for the month being approximately \$200,000 of business.

## ACCIDENT AND HEALTH FIELD

### Flu Wave Not Very Serious

**Companies Generally Consider Slight Increase in Claims Normal for Season of Year**

Although an influenza wave closely approaching the proportions of an epidemic appears to have swept through the United States, reports from a number of companies indicate that officials are not worried over the situation this year as they were with the severe epidemic early in 1929, and also the deadly "flu" wave of 1918.

One company in particular has set aside an extra reserve to meet influenza claims and reports a 5 percent increase so far on claims from this cause. Officials of this company anticipate a large number of influenza claims the remainder of the winter. So far this small percentage increase has consisted almost entirely of claims for only one week or less. If claims for longer period are to come there has not yet been time for them to develop.

However, a number of other companies report only the usual January increase. Influenza is difficult to put a finger on and such claims often originate merely from common colds.

#### Company Reports Increase

One Chicago company doing a large amount of this business reports this week a 33½ percent increase in claims from all causes in the weekly department and 100 percent increase in the monthly department. However, this is characterized as the usual seasonal influx.

Another very large company reports its January increase is normal for this time of year, and up to Jan. 20 the number of claims was exactly the same as for the same period last year, whereas in January, 1929, there were twice as many claims.

Very few companies segregate their claim experience by causes and for this reason it is difficult to state what results have been from influenza so far this year.

#### Continental Life Changes

J. B. Shinn has been appointed assistant manager of the accident and health department of the Continental Life of St. Louis, succeeding F. J. Somerville, who will open an insurance agency for accident and health at Los Angeles. J. N. Davis has been made office manager of the accident and health department at the home office.

### Write Hospital Cover Only

**New Lincoln Company Headed by C. P. Peterson of Bankers Life Plans Unusual Form of Coverage**

LINCOLN, NEB., Feb. 12.—Insurance covering hospitalization charges is to be written by a new company organized by a group of Lincoln men, including C. Petrus Peterson, general counsel for the Bankers Life of Nebraska, and W. M. Byrkit. Actuaries have been unable to find any data on which to make calculations that would insure safety of rates, but the company plans to start with a charge of \$15 for membership, and dues or premiums of \$10 a year. The policy to be sold covers payments of hospital bills for all members of a family. In this way they can be included in the family budget, instead of as present constituting a constant menace to the family. The down payment of \$15 is not required until after a member of the family has availed himself or herself of hospital services. This is done in order to prevent persons covered making unnecessary use of hospital facilities.

Mr. Peterson says the health and accident companies have only partly covered this field. The plan has a humanitarian appeal, he contends. It insures hospital treatment to those who need it, while in many cases persons now suffer because they can not afford it.

The company will link its activities with a group which has just financed the erection of a \$300,000 hospital in Lincoln. The insurance company, it is figured, will supply full paying patronage, where hospitals now have to charge off large sums in bad debts, thus increasing hospitalization fees. Later on, when the hospital has developed a clinical service, the company may offer coverage for medical expenses.

### Special Drive Was Made for Disability Policies

Fifteen agents in the W. E. Lord office in Cincinnati wrote 137 applications for disability insurance in the 10 days ending Jan. 24. In that period these men had 528 interviews or four interviews for each application. After making their sales, the salesmen made inquiry as to how the purchasers felt about business conditions. Opinions were almost unanimous that business conditions are improving. The 10 days' effort was made under the direction of



Arthur Holzman, special representative of the Continental Casualty, who had conducted similar efforts in other Continental Casualty agencies. The Lord agency thus far has the 10-day record for number of applications received. The applications received in the Lord office were for disability insurance and not for accident insurance alone. In the same period agents wrote additional business including \$150,000 of life insurance.

### R. W. Reynolds in Indiana

R. W. Reynolds, Fremont, Neb., who recently resigned as executive special agent of the Federal Casualty, is appointed special agent in Indiana for the accident and health department of the Commercial Casualty of Newark. He is an experienced field man, having previously traveled Nebraska, Iowa and the Dakotas at different times for the Aetna Life and Travelers. He will work out of the branch office at Indianapolis under the supervision of Manager J. K. Landers.

### Would Exempt Suicide Claims

SALT LAKE CITY, Feb. 12.—Commissioner McQuarrie is backing a bill which seeks to eliminate the payment of benefits in case of suicide in connection with accident and health policies renewed after running for the usual year which they cover. The law now pro-

vides that any clause against payment on a suicide must be void after a policy runs a year, and courts have ruled that where a health and accident policy has been renewed after a year, the provision against application of the anti-suicide clause must be observed.

### Hobbs Presents Bills

Commissioner Hobbs of Kansas has recommended the following measures to the legislature:

Authorizing courts to allow attorney fees in suits involving health and accident claims. Requiring companies issuing non-cancellable health and accident policies to add 3 percent a year to reserves. Prohibiting mutual health and accident companies issuing non-cancellable policies.

### Pierce Given Two Years

OKLAHOMA CITY, Feb. 12.—On a plea of guilty to use of the mails to defraud, W. J. Pierce, former star salesman of the Business Men's Assurance, was sentenced to two years in the federal penitentiary. It was said that Pierce defrauded the company of \$30,000 through fictitious claims.

Dinwiddie Lampton, head of the American Life & Accident of Louisville, and owner of radio station WLAP, has sold the station to the Atlas Investment Co. of Chicago, owners of station WBBM.

## NEWS OF THE FRATERNALS

### Lutheran Mutual's New Form

**Announces Family Income Certificate on 10 and 20-year Plans with Broad Features**

The Lutheran Mutual Aid Society of Waverly, Ia., announces a family income certificate on the 10 and 20-year plan similar to that originated by the Continental American of Wilmington. The distinctive feature is that at the end of the income period the rate remains level for the life of the certificate but benefits are increased since premiums paid are no longer needed to provide for the income feature. This it is believed will set at rest the insured's fear that he is "paying for a dead horse."

The premium has been designed not only to take care of this feature but also to provide during income period higher reserves than would be possible on a pure family income plan. Reserves on both 10 and 20-year plans are the same at the end of the income period as those for ordinary life. Rates and values are based on the American Experience 4 percent table.

Contracts are participating and provide a cleanup fund through one year's term additions purchased by the member's share of surplus. There is a special feature in an old age benefit available to assured at age 70 or after. No disability, double indemnity benefit or waiver of premium will be granted on this form until the new form of supplementary contract is ready, based on the standard clause. This form has been submitted to and has been approved by all departments in the United States and Canada where the society operates.

Rate on the 10-year plan at age 35 per \$1,000 is \$26.74 annual, \$13.64 semi-annual and \$7.09 quarterly; and on the 20-year plan, same age and amount, \$31.44 annual, \$16.03 semi-annual and \$8.33 quarterly.

### Knights of Columbus Report

Moderate increase in membership and in insurance in force in the insurance division of the Knights of Columbus is indicated in the report of the regular triennial examination of the society, completed by the Connecticut department.

The membership as of Sept. 1 was

256,401, an increase for the three-year period of 17,794, and the insurance in force was \$290,446,235, an increase of \$25,997,168.

A valuation of the certificates in force as of Dec. 31 showed the ratio of solvency to be 132.28 percent. The ratio of actual to expected mortality for 1929 was 65 percent, according to the American experience table. The average rate of interest earned during 1929 was 4.9 percent.

### Fraternal Congress Meeting

A number of the sections of the National Fraternal Congress will meet in Chicago at the Hotel Sherman, Feb. 23-24. The executive committee will meet there Feb. 22. The sections will be the presidents' section, medical, fraternal actuarial, press, secretary, fraternal society, law. There will be a joint meeting one afternoon.

### Hear M. W. A. Case Feb. 24

The United States Supreme Court has set Feb. 24 as the date on which it will consider the appeal of protestors against the rate increase of the Modern Woodmen of America. The Illinois supreme court has upheld the validity of the new rates voted by the head camp of the organization. It is the appeal from this ruling that will come before the United States Supreme Court.

### Would Permit Change

Proposed legislation that would permit the fraternal insurance societies organized and operating under the Kansas laws to change into mutual life insurance companies has been submitted to the legislature.

The bill directs that the plan of reorganization must be submitted to the supreme council of the organization and adopted by a two-thirds majority of that body. Then the plan must be approved by the insurance commissioner.

### Mystic Workers Changes Name

The Mystic Workers of Fulton, Ill., have now become the Fidelity Life Association. It has abolished the maximum amount of insurance which had previously been \$10,000. The entry age

## LISSEN, BILL,—



Once upon a *TIME* a Crazy Clock concluded that it was the Whole Works—it wanted to Live without effort, and Rest forever, so it argued to its own conceited satisfaction, "*TIME* will Stop if I don't Go—I do not choose to Run." So it proceeded to Hold its Hands, but *TIME* went right on, and slowly though it seemed to Pass, it went too bloomin' fast for that Cuckoo Chimer ever to Catch Up, and one bleak wintry day it found itself linked in Companionate Marriage with a Busted Washboard in the Family Ash Barrel, and heard some Wise Guy remark: "The Fool Thing had Wheels."

*TIME* and *THOUGHT* eventually Work Wonders. It's not *TIME* that flies—it's You and I and what we Say and Do and *THINK*! *TIME* is perpetual—it's You and I that Pass. *TIME* will be here aeons after we have Finished and are Forgotten, so *RIGHT NOW* is our Opportunity to render an account to *TIME* which, together with Space, are Man's nearest approach to any adequate conception of Eternity—

*TIME* is here, always was here, always will be *HERE*—it never really began—it is as Continuous as a Circle, than which nothing can be more Complete—*TIME* is more a Reality than Life itself—Life, at best, is only a dream, a short and uncertain span, a mere measure upon the face of *TIME*, and since the Only Three Things that any of us can, ever did or ever will achieve will be Thinking, Saying and Doing, that which we *THINK*, and the way we *THINK* it, is going to pretty fairly decide our records. Just What are you Thinking about your Opportunity with our Company?

### THE OHIO STATE LIFE INSURANCE COMPANY

Columbus, Ohio

Participating

Non-Participating

LIFE

HEALTH

ACCIDENT

## An UNUSUAL CONTRACT will be offered to An UNUSUAL MAN

WHO:

- is a producer
- can organize
- is, of course, honest
- has three years of experience
- is seeking opportunity
- will WORK
- needs no financing
- needs no drawing account or salary
- needs no office expense

BUT

WHO:

will accept Home Office help in the appointment of new Agents under him for whom he will not be responsible financially and yet on whom he will receive overwriting Commissions as high as \$4 per thousand and long time Renewals

THE COMPANY

It is rated "A" by Best

Its rates for Insurance are extremely low  
(Age 35 Ordinary Life Net Cost  
First year per thousand \$17.85)

It writes all latest forms—Participating only—including an improved Family Income form; also Juvenile

Has over \$135,000,000 in force.

TERRITORY

The Company desires especially to develop Indiana, Illinois, North Carolina and Texas.

ASSISTANCE

Experienced field men to help the man selected to build a real agency in which the Renewals are NON-FORFEITABLE.

UNLESS

You have no present connection, or you have a real reason for leaving your present connection and are not at fault yourself, we are not interested. Write fully about yourself. We will not communicate with references until after interview. Write S-32, The National Underwriter.

## WE WANT AN UNUSUAL MAN

limits are now age 14 for the minimum. It will write non-medical policies where states permit.

#### A. O. U. W. Divisions Merge

The Ancient Order of United Workmen, North Dakota jurisdiction, with

home office in Fargo, has absorbed the A. O. U. W., Connecticut jurisdiction, with home office in New Haven, which has \$5,500,000 insurance in force, assets of \$1,350,000 and 4,100 members. The North Dakota order has approximately \$50,000,000 insurance in force, \$7,500,000 assets and over 30,000 members.

## NEWS OF LIFE ASSOCIATIONS

### Selling Points Suggested

#### E. M. Johnston Gives Some Counsel to Members of the Newark Life Underwriters Association

NEWARK, N. J., Feb. 12.—Eliminate the cost and net cost, talk the term "own" instead of how much do you carry, be brief in your talk, be sincere and believe in what you are selling and express yourself in language that the prospect can understand. These were a few of the selling points which E. M. Johnston, a former insurance man of Syracuse, N. Y., presented before the Newark Life Underwriters Association. He said that life insurance is a mutual cooperative effort on the part of the public which the life companies promise to carry out. In selling life insurance, the speaker said, a life underwriter is selling money for future delivery, and so far as he knows there is not another business or industry which is conducting such a business. He advised the members to break away from what he termed "peanut selling." It will never get a life underwriter any place, because it means that the life underwriter who deals in that type of selling is small in everything he undertakes to do. H. H. Wilson, who is to be the instructor in the new life insurance course which opens on Feb. 13, explained the course and what it meant to those who take the course.

### Ohio Officers Are Reelected

#### Insurance Not Affected by Tax Revision—Kimball Advocates Thrift Instead of Pensions

COLUMBUS, O., Feb. 12.—Insurance will not be adversely affected in the new tax system to be adopted by Ohio and Governor White has never declared himself in favor of an increased tax on insurance premiums, or even considered the subject, members of the Ohio association were told at their annual convention here last week. Speakers included Superintendent Warner, Senator R. A. Taft, Cincinnati, and Ingalls Kimball, director of group annuities Metropolitan Life.

Mr. Kimball discussed old age pensions and declared that it is the duty of the life insurance companies, welfare organizations and similar bodies to teach thrift and conservation of income in order that the people may not become dependent on charity in their old age.

All of the old officers of the association were reelected including C. V. Anderson, Cincinnati, president; E. W. Snyder, Cleveland, vice-president, and Fritz Lichtenberg, Columbus, secretary-treasurer.

**Louisiana**—The Louisiana association at its monthly luncheon in New Orleans heard J. J. A. Fortier discuss "Thrift." "Life insurance companies are the founders of the policy of American thrift," Mr. Fortier said. "The grandest policy in the history of government was expressed by Herbert Hoover when he said, 'we must banish poverty from the United States.' The life insurance companies make it possible to carry it out."

**Seattle, Wash.**—"How to get the application," a sales talk by H. L. Knox of the Knox School of Salesmanship, was the feature of a special agency session of the Seattle association.

### Plan Chicago Sales Congress

#### State and City Association Leaders Get Together on Program for Joint Meeting

Plans for the annual meeting of the Illinois Association of Life Underwriters and the sales congress of the Chicago association at Chicago, May 19, were formulated at a special meeting of leaders of the two associations. The state association was represented by H. C. Hendricks of Decatur, its president, and L. P. Livengood, Danville. The Chicago committee consisted of E. B. Thurman, J. R. Hastie, T. L. Lawrence and Walt Tower, managing director Chicago association.

The joint congress and meeting will be in charge of H. T. Wright, president Chicago association, and President Hendricks of the state body. On the Monday preceding there will be an executive committee meeting of the state association and nomination of new officers.

The sales congress will be an all day affair, at which are expected more than 300 down state life insurance men and 1,000 from Chicago. The best speaking talent is being planned for the meeting and several nationally known life insurance men will be on the program.

### List Notable Speakers for Cleveland Sales Congress

CLEVELAND, Feb. 12.—The sales congress sponsored by the Cleveland association will be held March 7. Speakers are L. E. Simon, special agent Massachusetts Mutual, New York, "Selling Suggestions"; James A. Fulton, president Home Life, New York, "How Shall the Life Insurance Man Meet Changed Business Conditions?" Albert E. Gray, supervisor Prudential, "Peeling Oranges"; J. E. Bragg, New York University, "What Price Success?" R. B. Hull, managing director National association, "The Modern Life Underwriter, a Social Engineer."

Between 1,200 and 1,400 are expected to attend.

**St. Paul**—Dr. John M. Thomas, vice-president of the National Life of Vermont, was the speaker at the monthly meeting of the St. Paul association Feb. 5.

**Champaign County, Ill.**—The Champaign County association met at Champaign, the speaker being W. F. Dineen of the Helfetz agency of the Mutual Life of New York in Chicago. He presented ways of arousing the curiosity of prospects and told how interest is maintained. Miss Martha Green, president, presided.

**Portland, Ore.**—R. B. Hull, managing director National association, accompanied by C. C. Thompson of Seattle, first vice-president of the association, addressed the Portland association on "The Modern Underwriter, the Social Engineer."

**Johnson City, Tenn.**—Agency Manager Ted W. Simmons, Pan-American Life, E. Lee Trinkle, vice-president Shenandoah Life, and T. O. Trotter of the First National Bank of Chattanooga, were guests of honor and principal speakers at a banquet by the Johnson City association and the banks and trust companies of the city. The really remarkable thing about the success of the banquet according to Mr. Simmons, is that the Johnson City association has only

16 members out of the 70 or more licensed life representatives in the city, and that these men, in a city of 25,000 population were able to bring together such a large number of people to what was primarily a gathering of life insurance men and women.

**Toledo, O.**—C. M. Biscay, manager ordinary department the Western & Southern Life, addressed the Toledo association this week.

**Mississippi**—"Conservation" was discussed by W. D. Owens, secretary Lamar Life, before the Mississippi association at its monthly luncheon in Jackson. A life insurance playlet directed by Mrs. J. W. Thompson, wife of the Reliance Life agency supervisor, will be given at the next meeting.

**Southwest Texas**—The regular luncheon of the Southwest Texas association in San Antonio was in honor of the past presidents. Former presidents present were Eph Goldstein, O. D. Douglas, Fred Maule, H. B. Weise and O. P. Schnabel. President B. G. Lane presided.

Mr. Goldstein spoke on cooperation, pointing out the advancements of the past 20 years in the development of a feeling of fraternity and the rise in the social standing of the insurance agent. Six new members were received, making the total 121.

Guests were H. T. Childre, vice-president and agency manager Seaboard Life, and H. G. Romig, superintendent agencies Canada Life.

**Detroit**—M. A. Linton, vice-president Provident Mutual Life, is the featured luncheon speaker at the sales congress of Detroit association today.

The speakers at the morning session are J. M. Holcombe, Jr., manager Life Insurance Sales Research Bureau; Hugh White, Northwestern Mutual Life; Frank See, Union Central Life, St. Louis, and G. E. Lackey, president National association. At the afternoon meeting C. C. Gilman, National Life of Vermont, Boston; E. W. Dean, Aetna Life, Grand Rapids; H. L. Walker, vice-president Detroit Life, and G. H. Harris, superintendent field service Sun Life of Canada, are the speakers.

**Raleigh, N. C.**—J. M. Jenrette, general agent Pacific Mutual, has been elected president of the Raleigh association. The other officers are George Ragsdale, first vice-president; E. M. Herndon, second vice-president, and K. R. Miller, secretary and treasurer.

E. Johnston Neal, retiring president, is appointed chairman of the educational committee and will lay plans for a study class for the C. L. U. degree. Much interest has been manifested by the members of the Raleigh association in this work and it is expected that between 15 and 20 will be enrolled for study preliminary to the C. L. U. examination. It is probable that North Carolina State College will be selected to head up the activities of the class.

An executive committee was elected composed of the following: E. L. Foulks, chairman; C. D. Edgerton, W. G. Stewart, P. A. Reevis, R. T. Atkins, A. T. Lott and C. I. Godwin.

**Arizona**—S. I. Snortum, field instructor for the Equitable of New York, was the principal speaker at the monthly meeting of the Arizona association. R. D. Walker of the Phoenix Savings Bank & Trust Co. also spoke. His subject was: "How to Assure Today an Adequate Income for Tomorrow." Mr. Snortum outlined the prospects for 1931 in the life insurance business and what the individual underwriter might look forward to.

**Vermillion County, Ill.**—The Vermillion County association at its annual meeting at Danville elected officers as follows: Tom Galbreath, Pan-American Life, president; G. W. Orr, Equitable Life of New York, vice-president; Clara Tilton, Massachusetts Mutual, secretary; Charles Atwood, Sun Life, treasurer. C. L. Lawwill, Equitable Life of Iowa, is the retiring president. The newly elected officers will assume their offices March 7.

**Greensboro, N. C.**—The initial session of a special training class for Greensboro life underwriters was set for Feb. 13, with John Lear of the faculty of the University of North Carolina directing the first lesson. There will be 15 classes, conducted by authorities from business and educational institutions.

The association's executive committee has been named, including President A.

## Reelected



C. VIVIAN ANDERSON

C. Vivian Anderson of Cincinnati, who is second vice-president of the National association, was reelected president of the Life Underwriters Association of Ohio at its annual meeting in Columbus.

T. Haley, W. H. Andrews, Jr., W. J. Bernstein, A. P. Mulligan, E. J. Stoker and H. P. Foust.

**Lincoln, Neb.**—Dr. John M. Thomas, vice-president of the National Life of Vermont, will share honors with R. B. Hull as speakers before the meeting of the Lincoln association Feb. 14.

**Chicago**—R. B. Hull, managing director National association, is the big drawing card scheduled for the Feb. 17 luncheon meeting of the Chicago association. He will give his highly inspirational address, "The Modern Life Underwriter; a Social Engineer." The 1931 season of the association was started very auspiciously with a fine talk by President Parkinson of the Equitable Life of New York and the second talk maintains that high level of speaking talent.

## Double Indemnity Refused by Court in Airplane Case

In ruling against a claimant for double indemnity benefits in an airplane death, the supreme court of New York at Rochester has held that the aviation and military exceptions in the double indemnity clause are separate items. The case was Clara M. Taylor vs. Prudential.

The portion of the clause about which contention developed reads: "... however, that no accidental death benefit shall be payable if the death of the insured resulted from suicide—whether sane or insane; from having been engaged in aviation or submarine operations or in military or naval service in time of war; ..."

The claimant contended that the limitation "in time of war" applies to the words "engaged in aviation." The court ruled that the "in time of war" clause limited only the preceding words "in military or naval service."

The court added that "the rule that an insurance policy should be construed most strongly against the insurer can be resorted to only when, after using such helps as are proper to arrive at the intent of the parties, some of the language used or some phrases inserted in the policy are of doubtful import, in which case the rule should be applied because the insurer wrote the policy."



## BIG PROBLEMS BEFORE OFFICIALS

(CONTINUED FROM PAGE 3)

general agent or manager decides that the case is a meritorious one. To open the way for compensation on all readjusted policies would be dangerous. Officials who have given this matter considerable thought believe that the time has come when companies must save their own business or it will go elsewhere. The issue is a very blunt one.

### Danger of Exposure Seen

Either a company can readjust its own policies and save the insurance or considerable of it will go to some other company. Agents are worthy of their hire. If they are to do readjusting work then it would seem desirable to compensate them, but this matter of readjustment should be regulated and some intelligent person should decide whether the readjustment is natural or forced. If the conservation departments are able to get policyholders to repay their loans, that naturally is the most desirable thing to do. However, a condition confronts the companies and not a theory. It is going to take some time for policyholders to get readjusted in an economic sense. If they have no money they cannot repay the loan.

### Terminations Are Heavy

Companies that are known as the most conservative and that always point with pride to their low lapse ratio acknowledge that the terminations during 1930 have been extraordinary. Surrenders and loans have come with such heavy assault that in spite of a large new business the increase in insurance in force is comparatively small. In fact some companies show a loss.

Insurance men have used all possible means to hold business on their books. Those that have had surplus funds have endeavored to finance their policyholders where they felt the accounts were as good as old wheat in the mill. In this way the money of general agents and soliciting agents has been tied up.

### Conservation Work Important

The conservation work at head offices has assumed highly important proportions. This may have been carried on in a rather academic or theoretical way in the past, but owing to the forces driving policyholders out of companies because of economic conditions, some executive has been given jurisdiction over this department and profound thought has been concentrated on the work of saving business. Therefore, this special branch of a life company needs real mental effort placed on it. A regular program should be mapped out enlisting not only the head office machinery but that in the field.

### Investment Department Has Some Big Problems

Another big problem at home offices today involves the investment department. What sort of securities can a life company buy that will yield a reasonable return and yet be safe? Some years ago farm mortgages were regarded in many offices as the basic security. Many companies had a far too high ratio of their assets in this security. No one foresaw the abnormal conditions that increased farm prices far beyond what they were intrinsically worth and made farm products in great demand. Then came the crash which has been followed by thousands of thousands of foreclosures, forcing life insurance companies into the farm business. Every company that had farm mortgages on its books now possesses a large number of farms. There is no market at present for farms. The agricultural depression is still with us.

The great urban growth resulted in real estate prosperity. Many subdivisions were opened and excellent homes were built. There was an era of build-

ing on a huge scale. Now many of these areas are prostrated. Companies loaned in what seemed to be continuously attractive communities. Values in many cases have been reduced. No company desires to foreclose on real estate unless it is forced to. It uses every possible means to get a refinancing or readjustment of the loan.

Railroad securities have been regarded as among the best, and yet the railroads today are saying that unless there is some relief given them they will suffer. Bond issues of the finest type have fallen in market value.

### Diversification Is Necessary

Therefore financial officers are put to it to foresee how different forms of investments may be affected by new or uncertain currents. The only salvation is in proper diversification and not putting too many eggs in one basket. The latter plan certainly has been a suicidal policy. Within the range allowed by law there should be the utmost diversification of what can be called the best securities. It must be acknowledged that financial executives have no easy task in making loans and getting a return that they deem adequate and yet feel absolutely secure. There is this much to say. A legal reserve life company is the highest form of investment trust. If there is proper diversification the financial structure will be safe.

### Large Policy Death Ratio Is Worrying Executives

Another feature that is worrying home offices very much is the mortality experience on large policies. While the mortality among the industrial classes and the smaller policyholders has not been abnormal, there has been an upward curve in mortality on part of those able to purchase large policies. What is the cause of it? The answer is being carefully studied. Probably no company is able at this time to give a correct answer. Undoubtedly the terrific strain on people following October, 1929, has put them to the utmost test. Many have broken under the burden. Many saw their fortunes blown to the winds. They realized that not only were they and their families involved but large numbers of persons dependent on them in a business way.

### Effect of Abnormal Living

Great mergers, the financial onslaught, the crashing of huge timbers, the hurricane following the speculative orgy have tried men's souls. Many have blown out the light and sought surcease in death. Others with probably a weak spot in their physical constitution have cracked. Others have attempted to drown their sorrow in drink. There have been automobile accidents galore. Men in the heyday period buttressed their fortunes with life insurance and when they found their backs to the wall something happened. The mortality therefore on these larger policies has gone upward.

### Reinsurance Companies Feel Pressure

Companies taking reinsurance have come in on these larger cases. Their mortality in some instances has gone beyond 100 percent.

Some companies that have had a high mortality can no longer get automatic reinsurance treaties providing that when the original company issues a policy the reinsurer takes a certain percentage automatically. The reinsuring companies in such cases are demanding that they review the cases before they bind themselves. They realize that something must be done to protect themselves. Many companies are making a very searching study of their death claims to see whether a change in underwriting policy is desirable. It may

Openings in the following states:

Alabama  
Florida  
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Georgia  
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District of Columbia

## AGENCY MANAGERS

Men qualified to organize, lead and inspire others are invited to write President I. A. Morrisett regarding a general agency association. The company will cooperate with them in acquiring a thorough training that will fit them for these responsible positions. Their agency contract and wide range of policies plus close home office cooperation will give them the necessary tools for success.

## THE GEM CITY LIFE

INSURANCE COMPANY OF DAYTON, OHIO

*The Rapidly Growing Company*

### THE HOME LIFE INSURANCE COMPANY OF AMERICA

PROTECTS THE ENTIRE FAMILY

*Home Life Agents are equipped to serve every need for protection. Modern policies are issued on both Industrial and Ordinary plans from birth to Age 65 next birthday. The Home Life sales-kit means a whole family of potential policyholders back of every door-bell.*

*There Is a Home Life Policy for Every Purse and Purpose*

OVER ONE HUNDRED MILLIONS IN FORCE.  
INDEPENDENCE SQUARE PHILADELPHIA, PA.  
(INTERESTED IN REPLIES FROM PENNSYLVANIA AND DELAWARE)

625,852 Prospects

received advertising letters  
in first nine months of 1930

\$36,210,101 of Business

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## BANKERS LIFE COMPANY

GERARD S. NOLLEN, President

Established 1879

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be that net retentions will have to be decreased.

### Life Insurance Safety Impressed on the People

The fact that hundreds of thousands of people during an unprecedented series of crises following a financial and economic cataclysm found refuge in life insurance proceeds has convinced the public that after all there is probably nothing so safe as a life insurance policy. They have felt in the past that they could make more out of their money than the life companies. This has proven a fallacious line of reasoning. Therefore, there will be, as time goes on, a recognition of the property value of life insurance and an acknowledgment that it offers superior investment opportunities. They will realize that their actual returns will not be so great but that the investment is very safe.

### Will Create Sinking Fund

People will therefore provide in a much greater degree a sinking fund for themselves and families for major contingencies which will be held more secure perhaps than it has been. We have had for many years the slogan of "life insurance for protection only." Ordinary life and term policies have been sold. We have had a multitude of life expectancy policies. People have loaded up on the cheaper forms on which there is very little cash or loan value. This alone undoubtedly has caused a higher mortality because men of the speculative and promoter type, taking big chances in business, have fortified themselves as best they could through life insurance and bought the lower priced forms. Their purpose was to spend as little as possible for life insurance but to get it for emergency purposes.

### Investment Policies Sold

Within the last few months the investment possibilities of life insurance have received far more attention. Therefore, so-called investment policies together with annuities and retirement contracts of various sorts, have been sold in large numbers. Many single premium policies are being purchased. This will place on companies, therefore, a new investment problem because the reserves will be much greater. As already intimated, the financial officers

realize that the future interest rate is problematical and uncertain.

Another feature confronting the companies is the desirability of expanding to a large extent on annuities with the record in certain types unfavorable. Some companies have had a rather disastrous experience with annuities, especially with women. Officials, however, can take it for granted that more investment forms will be sold.

### Much Insurance Sold on Very Small Profit Margins

Probably one of the biggest questions today confronting life insurance is the appreciation that considerable insurance perhaps has been sold on too small margins. With large earnings and colossal transactions, with a big new business and in consequence a low mortality, companies have lost sight of the day of reckoning. The real danger has been hidden. Large amounts of so-called cheap insurance have been sold. Companies have cut down the loading on their premiums. Competition has been keen. With a rising volume of business and with large earnings officials have probably blinded their eyes on many occasions to the effect when the lean years arrive.

### Adequacy of Free Surplus

Many officials today are considering the adequacy of their free surplus. Is there danger of it being too greatly undermined? Have the contingencies been adequately anticipated and prepared for? Many believe that the ratio of surplus to liabilities is getting too low in case of some companies. There needs to be a bolstering of the very foundations. The terrific competition for net cost has been dangerous in many respects. The companies have reduced their loadings too far on the so-called preferred risk policies.

It is difficult to see how present dividend schedules can be maintained without danger of encroaching too much on surplus. It is equally difficult to see how many nonparticipating companies can continue to write without higher premiums on some low priced forms. In many cases there is no expense loading and the companies are simply riding on the net.

These observations are not made by calamity howlers or panicky people. The

## Mutual Trust Leader Hangs Up Fine Record

V. F. Pettric, Milwaukee general agent of the Mutual Trust Life, Chicago, is president of the 1931 Old Faithful Club, on the basis of an excellent record in 1930. He had more than \$1,250,000 written and examined personal business and a paid volume well over \$1,000,000. Mr. Pettric is both a general agent and large personal producer. His 1930 record in face of business depression is unusual in the company's history. In 1930 he placed insurance on 227 lives, and his totals include no group or term insurance.

During the Mutual Trust "Silver Anniversary" campaign last May and June, Mr. Pettric set his personal goal at \$250,000 of new business and ended the month with \$268,000 written and examined. This included no case of over \$25,000. His July paid-for was \$243,000. Mr. Pettric led the field force for one day's production on the anniversary day last May with \$60,000 on four lives.

Oct. 31 was "Loyalty Day," an announced one day test. Mr. Pettric completed and examined eight applications on eight lives for \$55,000, within 24 hours of receipt of the announcement. In the Silver Anniversary campaign he won over 23,000 points which brought him 13 awards, which were gift premiums. He was the company leader in this contest. He joined the Mutual Trust May 1, 1929. Mr. Pettric has maintained membership in the App-A-Week Club from the very first. His average policy is only about \$4,000. He had only \$770,000 paid for Dec. 1, and succeeded in paying for \$256,000 in the month, qualifying for the Million Dollar Round Table.

situation is one that can be adjusted, but real statesmanship is required today in life insurance, as elsewhere.

We have been going at too fast a gait. Too many companies have worshiped the god "Volume" rather than quality. Business came easy. Perhaps rivalry has had something to do with the fast pace. Companies were anxious to show good records from a selling standpoint. They wanted to make an impression on agents, policyholders and prospects. There has been too little selling at the source. People have been insured for amounts far beyond their normal power to carry the indemnity. Because business came so easy agents were appointed that were selling insurance because for the moment they could make money at it. They did not do much along the line of professional or permanent selling. Large amounts of insurance undoubtedly have been put on the books that would not have been sold had normal and natural means been used to secure it. Everyone has been carried along with the spirit of the day. There were large profits made in many lines. Life insurance simply kept pace with the procession. There will evidently be a turn now to quality rather than quantity production. There will be a more careful selection and a sifting process. Too large volumes of business have been written to be properly assimilated and culled. Companies, in other words, have grown too fast and that has not been for the best.

### Confer on Meeting Date

George E. Lackey, president of the National Association of Life Underwriters, passed through Chicago Feb. 10 and conferred with S. T. Whatley, general agent of the Aetna Life and chairman of the executive committee of the National association, on the mid-year meeting date. It has been decided to hold the meeting at Atlantic City this year to correspond with the meeting of the Chamber of Commerce of the United States there. Dates suggested are either April 28 or May 2.

## CHICAGO MANAGER

**A**N Eastern mutual life insurance company above the quarter-billion class wants a Manager for Chicago Branch Office. It is an old established office with over thirty millions of business in force and a substantial functioning sales organization. Unlimited possibilities. If you are interested and have proven ability as a developer of insurance salesmen, write to Box S-73, The National Underwriter, giving details about yourself and your experience.

**I** AM 44 years old and have had 11 years' experience in training and teaching insurance salesmen.

I can give references to prove my efforts and have made two small life insurance companies prosperous and then these companies were sold or merged with no advantage to myself.

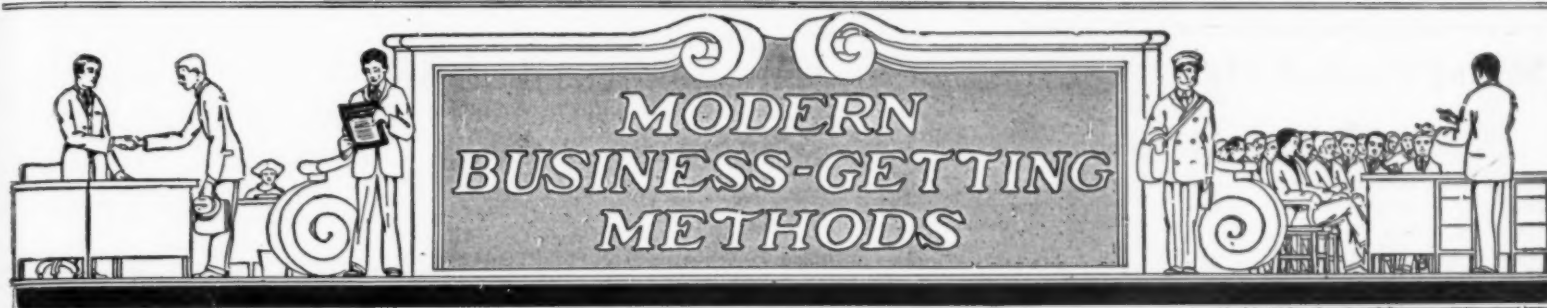
I have written and paid for \$11,000,000 business in the past 15 years and wish a position that will reflect a greater advantage to myself.

I wish to connect on a liberal contract with a good solid company for the management of South Texas, with a Home Office in Houston.

I have the best financial and social connections.

Satisfactory references will be given upon request. Address S-72, The National Underwriter.





## All-important Matter of Keeping Close Contact with Policyholders Is Discussed by New York Manager

Practical methods of maintaining contacts with policyholders, an important side of the life insurance business which he says there is a tendency to forget, or at least neglect, were discussed by M. L. Lane, vice-president of the Lane general agency, Home Life of New York, in New York City, at a dinner meeting of the Life Underwriters Association of New York City. Mr. Lane said in part:

"There is a certain amount of romance to a new application on a new person. There is a certain 'kick,' if you please, to coming back to the office and telling one of your associates of just exactly how you did it. And, in the meantime, the old policyholder plods along, receiving little attention from the majority of his life insurance friends who insured him in years gone by.

### Places Some Blame Upon the Companies

"To a certain extent, I believe, the fault is that of the companies themselves. For, in their desire to conserve business, in their desire to serve the policyholder, they have accepted the greater part of the burden which rightly belongs to the underwriter. His is really the job of conserving the business.

"In the work which it has been my privilege to do for the Life Underwriters Association of the City of New York, I have found an alarming amount of business twisted primarily because the original agent was not on the job.

"Experience is a great teacher, but surely if we may profit by the experiences of others, particularly if they be costly ones, we gain materially. And the fact that automobile manufacturers, great public service corporations, suc-

cessful department stores and large national institutions find it profitable to render service to and try to hold the old customer, should almost compel us to be attentive to our policyholders.

### Renewal Commissions Are Reduced by Lapse

"There is another reason which I should like to mention in passing. W. A. R. Bruehl of Cincinnati has calculated what happens to the renewal commissions of life insurance men under certain conditions and he has taken as an example the underwriter who produces \$5,000 in premiums in one year. The figures are as follows:

"Without deaths, lapses or surrenders, the salesman's income over the period during which he has an interest in the premiums would be \$2,250. With a normal number of deaths, and no lapses or surrenders, the income over the period would be reduced by a trifle more than 1 percent, the net amount being \$2,231. With a normal number of deaths and normal lapsation and surrenders, the income drops approximately 24 percent, the net amount being \$1,700.

"But with abnormal lapsation, due to business being surrendered, twisted or otherwise dropped, there is a 50 percent reduction in income and that brings the first figure mentioned by me down to \$1,125. This, then, in my opinion, is the best reason I could offer to any selfish individual why there should be a systematized and inflexible service to the underwriters' clientele.

"How should we go about this work among our old customers? First of all, see them regularly—at least twice a year. And then, personally follow up the various changes which take place and which are inevitable during the life

of the policy. Here are some of them:

"**Change of Address.** When you find that your man has moved, that is a signal. If his premium notices go to his residence, try to discover whether he has stepped up or down. Is he in a better locality or is there no indication of a change in his living conditions. But go to see him at his place of business and tell him personally that the change has been made on the records of the company and on yours.

"If his premium notices go to his business, it is imperative that you see him, because his change may possibly involve an increase in income and you should at least congratulate him and wish him well. I know of countless cases where business has resulted from following these changes and, in many cases, the application was signed at the time the underwriter called to see the prospect in his new quarters.

"**Change of Beneficiary.** This is a signal we should never miss, because probably more business has been written at the time a policyholder's status changes, or that of his beneficiary, than any other type of lead from old policies.

"**Assignments.** These come under the same category and I strongly believe can produce business for you, if followed up personally. I know of two cases just recently where policies were assigned to a corporation to cover a business transaction. The underwriter who handled the assignment was able to show, without any difficulty, that the personal estate of the policyholder was reduced by the amount of insurance so assigned and sizeable new policies resulted.

"**Loans.** Few policyholders will borrow on their life insurance unless the money is needed desperately. The others generally borrow because they are able to use the money profitably with the idea of repaying it as soon as possible. In either type of loan, it is the duty of the underwriter to give speedy service and to do everything within his power to get the loan check in the proper

## Facts, Figures and Inspirations

A simple way of ascertaining the life expectancy of a person is to take 7/10 of his age and deduct the result attained from 56. For example, take a man aged 40; 7/10 of his age is 28; deduct this from 56 and you have the answer—28 is his expectancy. This simple method, while not strictly in accordance with actuarial methods of figuring expectancy, seems to be just as effective.—The Organizer.

\*\*\*

The world bestows its big prizes in money and honors for but one thing, and that is initiative. And what is initiative? I'll tell you; it is doing the right thing without being told.—Hubbard.

\*\*\*

Direct mail turns printed names into profitable prospects.—Penn Mutual.

\*\*\*

The need of the hour—SUPER-SALESMANSHIP.—Forbes.

hands when needed. Do not mail the check if you can possibly deliver it in person.

"And when delivering, remember that in most cases he is borrowing from his widow or his children or both, or from his mother or sister. And if you talk to him along these lines it is your duty and his to apply at once for additional insurance to cover the loan. And then, to surround this policyholder by a barrier to twisters.

"Sell him definitely on the idea of repaying a small amount of the loan at regular intervals. Sell him on the idea that, had he gone to his bank to borrow, he would have been required to commit himself as to repayment and he owes

## Live and Let Live.....

On that sound basis of mutual satisfaction Fidelity has framed its agency contracts. More than half a century of fair dealing has built the high reputation among field men it now enjoys.

A singularly successful lead service is backed by a very complete offering of modern policy forms. Low Rate policies also contribute to easier selling. The Fidelity is financially solid and operates in thirty-nine states, including New York, on a full level net premium basis. It has over \$425,000,000 insurance in force.

Openings are available for the right men.

**The FIDELITY MUTUAL LIFE INSURANCE COMPANY**  
PHILADELPHIA  
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**WE** have an especially attractive Agency Contract to offer real producers.

Middle West Territory — Liberal Policy Contracts —  
Standard and Sub-Standard — Medical and Non-Medical  
Special Features

## ARE YOU INTERESTED?

Address R-74 - The National Underwriter

## Selling Plans of Stars

Term Insurance must be converted sometime. Here's a word from a subscriber: "Last year I needed some new business. I had \$1,000,000 Term on an executive. I prepared my case for two weeks, then referred to the Bulletins under 'Converting Term Insurance.' It was all there, especially one idea not new, but forgotten. I tore up my program, and converted \$500,000 in ten minutes. I am under great obligation to you." Not to us, Mr. Starr. We copied the idea, too. But can you tell us why every live Underwriter and certainly every General Agent and Manager doesn't invest in

The Diamond Life Bulletins  
420 E. 4th St., Cincinnati

"They Do Tell--How Men Sell"



**CONSERVATION  
AND  
RECLAMATION  
OF  
LIFE INSURANCE**

**THE OTIS HANN COMPANY, INC.**  
JACK ROBERTS HANN, PRES.

**333 No. MICHIGAN AVE.  
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## The Rewards of Consistency

IF A BUSINESS MAN takes care of his business, the business takes care of him. Life insurance field work is a business, and subject to the principles of general business. Those who achieve in this work are those who give it their undivided and full thought and effort. Isn't this merely natural and logical?

Life insurance field work under satisfying conditions is a career giving opportunity for achievement and profit according to ability and undivided effort. THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK affords such conditions to its field workers. Life insurance in all standard forms, annuities, disability and double indemnity benefits, prompt and equitable dealings, and facilities for serving policyholders in practical ways combine to make its agency force successful.

Earnest-minded men and women of character and ability contemplating a career in full-time field work are invited to apply to

## The Mutual Life Insurance Company

34 Nassau Street  
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President

of New York

New York, N. Y.  
GEORGE K. SARGENT  
2nd Vice-President  
and Manager of Agencies

it to himself to repay the life insurance loan at the earliest possible date. Tell him you will remind him, on the dates he specifies—and then remind him. Play your part in the way you would expect your banker to play it, were you borrowing the money instead.

"If we all would take care of our policy loans along those lines, there would, I believe, be less twisting. For certainly, the mortgaged policy is the one which is attacked first. In other words, when you deliver the check, and your man asks you, as many do, 'when do I have to pay this back,' do him the favor and do his family the favor of suggesting a definite date and avoid saying, 'Oh, you may pay this back at any time at all.'"

"Deaths. My list has only suffered two deaths in 16 years, but in each case I handled them personally. In one case, I profited by an application from a member of the family, but in the other I gained more in satisfaction than I could ever hope to gain otherwise, through the knowledge that my former friend and client had provided well for his family, through the medium of life insurance, and that the family would be comfortable from that time on.

"Extension of Premium Payments. Many times a policyholder can be saved by a visit just before a policy lapses, for there are many cases where men do not know they can preserve the insurance by extending the premium payment through the medium of a comparatively small deposit. In our own office, this month, we assisted a policyholder who was temporarily embarrassed and who had planned lapsing the policy for two weeks, it being his idea to pay the premium at the end of that period, when the necessary funds would be in his possession.

"Lapsed Policies. Naturally, none of us can entirely avoid having policies lapse from time to time. But when the policy does lapse, do not forget your former client. Continue to visit him and be ready to serve him when he is once more able to resume his premium payments. Do not rely on your home office to do the work that is yours, a job which you can do with better results, because you are closer to the man.

"Many times a letter will reinstate a policy, but often, where a letter fails, the personal interview succeeds. And if you find it impossible to save the policy, let your final effort be to have him retain at least a portion of the protection, by sending the policy back for change to a smaller amount. Try it. It works. And, if it works, it pays."

Vice-President R. E. Irish of the Central Life of Chicago is visiting Florida agencies.

### Los Angeles—"Eventually" with Roy Ray Roberts

The State Mutual Life has undertaken an extensive program of expansion in California. The Los Angeles agency welcomes you and offers modern contracts in an agency using the most up-to-date methods. Write us about our "Adaptation Plans." Roy Ray Roberts, General Agent, State Mutual Life Assurance Company, Roosevelt Bldg., Los Angeles.

## Many Brokers on Full-time Basis

(CONTINUED FROM PAGE 3)

people were in a buying mood, as in the times preceding the 1929 slump, it was a relatively easy matter to suggest taking a fair-sized policy and get the application signed without any lengthy discussion. Since then, there has arisen a greater actual need for life insurance than ever before, but it has been necessary for salesmen to make prospects acutely conscious of the need before sales could be made.

Lessening of general insurance premiums due to bad times and reduced inventories has heightened the lure of life insurance selling for brokers willing to adopt the go-getting methods of the full-timer. Often the same factors which have cut down premium income from general insurance clients make the latter better prospects for life insurance, since it furnishes a method of restoring estates to full value.

## Great Future in Insurance Seen

(CONTINUED FROM PAGE 3)

panies if such business were allowed to lapse.

Describing himself as "a crank with one one idea," Mr. Parkinson said he wanted to see life underwriters assume the professional status of interpreting life insurance to the people and to see them better trained so that they can better accomplish this.

M. L. Lane, vice-president of the Lane Agency of the Home Life of New York and also vice-president of the local association, spoke on "Green Pastures," his subject being the need of attending to the insurance of old customers as a means of keeping their business on the books and increasing the amounts of their insurance.

## Volunteer to Take Southern States

(CONTINUED FROM PAGE 5)

Southern States Life had a capital of \$150,000, much of which was held by Mr. Moore. The company had an unusual mortality in 1930, strangely enough a large part of it due to accidents, suicides and homicides. Its medical selection on the whole was good. The depressed conditions in real estate values had something to do with the company's decision to retire, as it had foreclosed mortgages on a number of pieces of property, all of which, however, are expected to pay out eventually.

The Southern States Life has about 19 general agencies, most of them doing a splendid business.

The Volunteer State Life had in new business last year \$16,156,516. It gained \$1,400,000 in insurance in force. In its own right it has nearly \$100,000,000 in force and with the Southern States it will add greatly to it. Its assets are upwards of \$16,000,000. The Volunteer State Life has \$1,250,000 capital and \$500,000 net surplus.

### PRESIDENT MOORE'S STATEMENT

ATLANTA, Feb. 12.—President W. L. Moore of the Southern States issued a formal statement as follows:

"The officers of the Southern States Life and of the Volunteer State Life authorize the announcement of the consolidation of these two life insurance institutions of the south. Negotiations have been in process for more than a month. The policyholders will henceforth be secured by the Volunteer State Life.

"Many of the field representatives of the Southern States Life have entered into contract with Volunteer State, a distinct advantage to the united family

of policyholders as well as to the sales organization and to the company.

"The merged companies will show an annual income of some \$5,750,000, with admitted assets of approximately \$23,000,000 and insurance in force to the amount of \$165,000,000. The consolidation will make the Volunteer State one of the largest insurance companies handling life insurance exclusively, with headquarters in the southeastern states. The joining together appears particularly appropriate as both companies are southern, were neighbors, and operate in almost precisely the same territory."

Only a few months ago it was announced that the Southern States had taken over a long lease on a six-story building in the business center of Atlanta and at the time the consolidation is made with the Volunteer remodeling work estimated at \$150,000 is under way. This building was to have become the home office of the Southern States. The Volunteer State will maintain only a large general agency in Atlanta. It will need only some of the junior officials and clerks of the Southern States and it is unlikely that any of the senior officers will be associated with the Chattanooga company.

## Life Companies Tighten Underwriting Policies

(CONTINUED FROM PAGE 5)

there. Many other companies over the United States have taken similar action.

It is admitted that applicants who intend to put through false disability claims will not answer this question truthfully, but at least this now leaves the company in a position to deny liability because of false representation.

There is noted greatly increased cooperation between life companies and casualty and accident and health companies through claim departments.

## Tips on Disability Given A. & H. Men

(CONTINUED FROM PAGE 8)

reasons' get more than they are entitled to.

"I submit a draft of a total loss of time clause (after 52 weeks of continuing total disability) which in my opinion would relieve you of considerable anxiety concerning disability claims extending beyond 52 weeks:

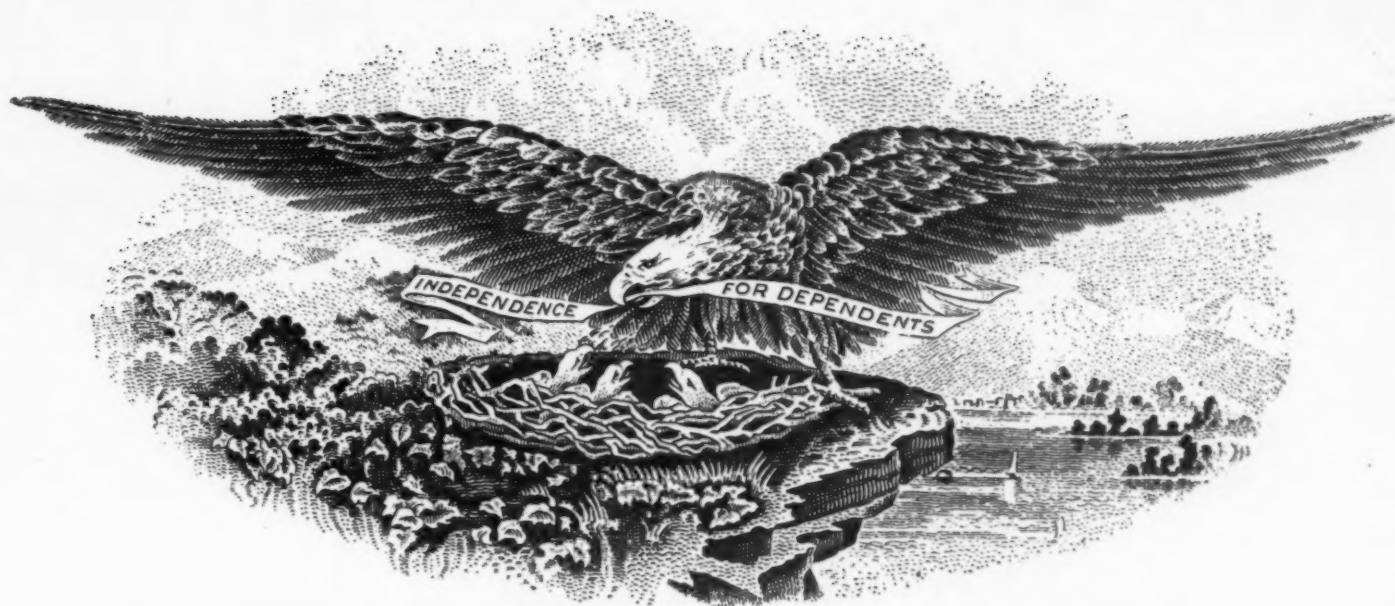
After the payment of week's indemnity for 52 consecutive weeks as aforesaid, the company will continue payments in the same amount, unless such payments shall be reduced in accordance with paragraph "Reduction of benefits" herein, so long as the insured shall be continuously totally disabled by such injury. As proof of continuous total disability, after the first 52 consecutive weeks thereof, it must be established (by required proof) that by reason of "such injury" the average monthly earned income of the insured, for a period of—months has not exceeded one-fourth, one-sixth or one-eighth (this is optional as to the percentage) of his former earned income (averaged monthly for the 12 months immediately preceding such—months) (or this latter can be changed to read "immediately preceding date of commencement of total disability").

"The adoption of such a clause or one of similar intent, would also make necessary the addition of 'definition of earned income' and 'reduction of benefits' clauses in your policies.

"It is important that we bear the following distinction in mind; that our supplementary disability policy does not indemnify for loss of time because of disease or accident, but does indemnify for the specified diminution of earned income because of disease or accident.

"Our application for disability insurance and 'proof of claim for disability benefits,' together with a form known as 'affidavit of income' to be completed before each monthly payment is made, contains the necessary information required to judge claims in accordance with policy terms."



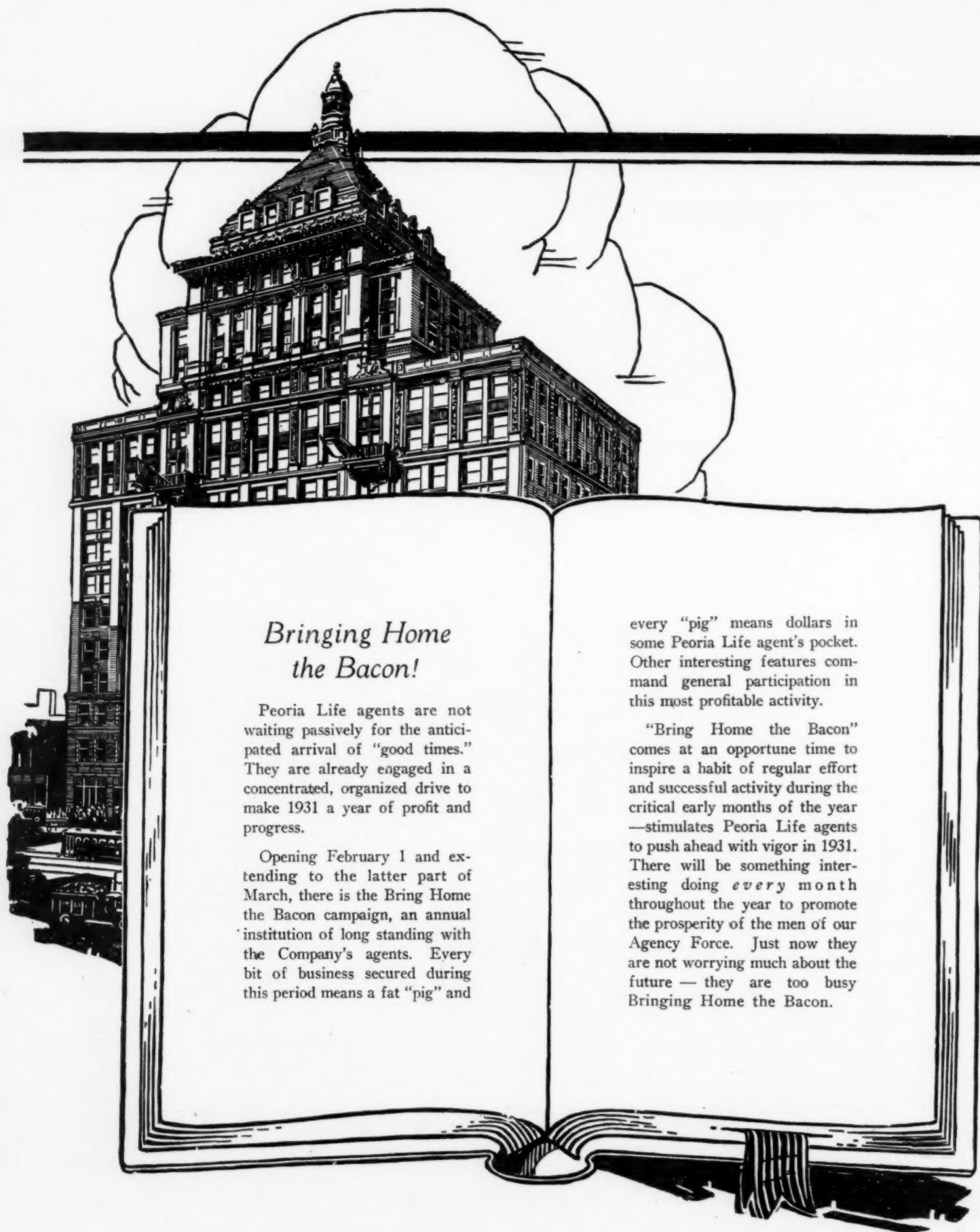


**Just Reinsurance That's All.**



***The Reinsurance Life***

DIVISION OF  
*Security Life Insurance Co. of America*  
CHICAGO



### *Bringing Home the Bacon!*

Peoria Life agents are not waiting passively for the anticipated arrival of "good times." They are already engaged in a concentrated, organized drive to make 1931 a year of profit and progress.

Opening February 1 and extending to the latter part of March, there is the Bring Home the Bacon campaign, an annual institution of long standing with the Company's agents. Every bit of business secured during this period means a fat "pig" and

every "pig" means dollars in some Peoria Life agent's pocket. Other interesting features command general participation in this most profitable activity.

"Bring Home the Bacon" comes at an opportune time to inspire a habit of regular effort and successful activity during the critical early months of the year — stimulates Peoria Life agents to push ahead with vigor in 1931. There will be something interesting doing *every* month throughout the year to promote the prosperity of the men of our Agency Force. Just now they are not worrying much about the future — they are too busy Bringing Home the Bacon.

**Peoria Life Insurance Company**  
PEORIA, ILLINOIS